

Bimby

The Department of State

bulletin

Vol. XXVIII, No. 727

June 1, 1957



**THE COSTS OF SURVIVAL IN A DANGEROUS
WORLD** • *by Assistant Secretary Martin* 769

U.S. OBJECTIVES IN WESTERN EUROPE • *by Ridg-
way E. Knight* 773

**THE VALUE OF TECHNICAL COOPERATION IN
LATIN AMERICA** • *by Assistant Secretary Cabot* . . . 780

**THE CONTINUING NEED FOR VIGILANCE AGAINST
SOVIET AGGRESSION** • *by James E. Conant* . . . 767

For Index see back cover



The Department of State bulletin

VOL. XXVIII, No. 727 • PUBLICATION 5067

June 1, 1953

The Department of State BULLETIN, a weekly publication compiled and edited in the Division of Publications, Office of Public Affairs, provides the public and interested agencies of the Government with information on developments in the field of foreign relations and on the work of the Department of State and the Foreign Service. The BULLETIN includes selected press releases on foreign policy issued by the White House and the Department, and statements and addresses made by the President and by the Secretary of State and other officers of the Department, as well as special articles on various phases of international affairs and the functions of the Department. Information is included concerning treaties and international agreements to which the United States is or may become a party and treaties of general international interest.

Publications of the Department, as well as legislative material in the field of international relations, are listed currently.

For sale by the Superintendent of Documents
U.S. Government Printing Office
Washington 25, D.C.

PRICE:
52 issues, domestic \$7.50, foreign \$10.25
Single copy, 20 cents

The printing of this publication has been approved by the Director of the Bureau of the Budget (January 22, 1952).

Note: Contents of this publication are not copyrighted and items contained herein may be reprinted. Citation of the DEPARTMENT OF STATE BULLETIN as the source will be appreciated.

The Continuing Need for Vigilance Against Soviet Aggression

by James B. Conant

U. S. High Commissioner for Germany¹

I appreciate very much this invitation to speak to the Foreign Press Association here in Bonn. I had hoped to get together with you and your German colleagues before this in a press conference and to report on my trip to the United States, when I had the privilege of being there at the time of Chancellor Adenauer's visit. But on my return to Germany I found myself with a scheduled series of travels which have kept me away from Bonn for most of the last 10 days.

Now, assuredly, it is much too late for me to make such a report, or to tell you about the response which the Chancellor received in the United States, except to underline the enthusiastic reception he was accorded wherever he went. I was particularly pleased, of course, that he saw fit to come to Harvard University. And I was greatly impressed and gratified at the spontaneous ovations he received from the students whenever he came out of the various buildings he was visiting. I am familiar enough with the student body at Cambridge to know that they represented real enthusiasm for the Chancellor and for the German Republic he represents. This and similar experiences point up the fact that Dr. Adenauer's visit was a significant contribution to the furtherance of lasting friendship between the German and American people.

While I was in the United States, President Eisenhower made his historic appeal for world peace. May I remind you that it is nearly a month since he said:²

... Recent statements and gestures of Soviet leaders give some evidence that they may recognize this critical moment. We welcome every honest act of peace. We care nothing for mere rhetoric. We care only for sincerity of peaceful purpose attested by deeds. The opportunities for such deeds are many. The performance of a great number of them waits upon no complex protocol

but upon the simple will to do them. Even a few such clear and specific acts, such as the Soviet Union's signature upon an Austrian treaty or its release of thousands of prisoners still held from World War II, would be impressive signs of sincere intent. They would carry a power of persuasion not to be matched by any amount of oratory. . . .

What have the Soviets done in the meantime to show their willingness to join in a genuine effort to eliminate the tensions which wrack the world and which have created the atmosphere of nervous foreboding in which we live today? A few naive people may have grasped at the straw offered by the recent editorial in *Pravda*, or even considered it a great concession that *Pravda* printed the full text of President Eisenhower's speech. I think we are all agreed that any opening of the Iron Curtain that shuts off the Soviet people from the news of the outside world—however small the crack may be—is a good thing. But such an act of grace by Soviet censors cannot be considered a serious reply to the President's proposals for world peace. It is deeds and not merely words that the world requires if we are to begin to witness the rebirth of trust among nations which President Eisenhower has called for.

Continued Abuses in Soviet Zone

As far as Europe is concerned, no basic change has occurred in the past weeks as far as I can see—no basic change to alter the familiar pattern of Soviet action. You correspondents know better than anyone else the deeds by which we can judge the new Soviet leadership. Certainly here in Germany the gap between words and deeds is obvious to all of us. We find no indication in the Soviet Zone of any relaxation of the pressures to which 18 million Germans are being constantly subjected.

Let me remind you of a few facts that are surely pertinent:

¹Address made before the Foreign Press Association at Bonn, Germany, on May 7.

²BULLETIN of Apr. 27, 1953, p. 601.

1. The Communist Government of the Soviet Zone in recent weeks has stepped up its campaign of attack and persecution of the church. Church liaison officers with the Government have been whisked away by the security police. Dozens of church officials, ministers, and priests have been arrested and some sentenced in show trials to long terms of imprisonment for alleged sabotage of democratic institutions. Church youth organizations have been dissolved or their members expelled from the schools of the Soviet Zone.

In order to restrict the activities of the church in public life, time-honored payments of church taxes required for pastors' salaries and church expenses have been reduced or withheld by the Government, theological training has been restricted, and church publications interfered with. A horde of police spies have been assigned to attend church services and report on "deviations" from the official Communist ideology. And in some places youthful Communist rowdies have even been given the task of breaking up religious services.

Protest against these measures by responsible church bodies and German religious leaders remain unanswered or are attacked as lies and malicious propaganda. Things have gone so far that the Protestant synod of Germany, including the Protestant bishops of the Soviet Zone, felt constrained to send a letter of protest to General Chuikov in which they appealed to the General to stop the antichurch measures of Soviet Zone authorities. And only a few days ago Bishop Dibelius, in a courageous attempt to prevent further Communist attacks against the Protestant youth organization of the Soviet Zone, filed suit against the official publication of the Communist controlled *FoJ*.

This *Kirchenkampf* taking place in the Soviet Zone hardly needs further comment. At the very least, it is "inhuman," as the recent general synod of the United Evangelical-Lutheran Church described it. But this effort to reduce the church in the Soviet Zone to a ghetto-like existence is not an encouraging sign to those looking for evidence of Communist acts of conciliation.

2. The "Sovietization" of agriculture and industry in the East Zone is continuing—is even being accelerated. Farms are being collectivized on a grand scale, private enterprise is being eliminated in large sectors of Soviet Zone economy, ration cards are being withdrawn from categories of workers and white-collar employees which do not fit in with the Government's plans for collectivization of the economy. Unless these measures are soon reversed, all this may well mean slow death for millions of Germans. Even now, according to a report prepared by the Bundestag Committee for All-German Affairs, 13 million inhabitants of the Soviet Zone are living on a starvation diet.

3. The terror and persecution which have driven thousands of Germans to leave their homes in the Soviet Zone and to seek refuge in the West continues unabated. The flow of these unfortunate people into Berlin has only slightly diminished in recent weeks, and the pattern of their stories remains the same—moral and material pressures applied with all the brutality and efficiency of a monolithic police state.

4. The picture remains unchanged in all other significant areas of life in the Soviet Zone. Schools, universities, theaters—all aspects of cultural life feel the blighting hand of the censor and the political commissar. German youth are being beguiled or dragooned into the Soviet Zone armed forces, which now have adopted a Soviet-style uniform, and have been enlarged to include air units as well as land and sea forces. The sealing off of the zonal border continues. In the scar of plowed land which the Soviets have torn up across Germany to mark their zonal border, the final stretches of barbed wire are now being planted.

The picture, then, has not changed. Does this continued "Sovietization" of Eastern Germany mean that the recent Soviet overtures are not genuine? Does it mean that the directives from Moscow have not yet seeped down through the rigid Soviet Zone bureaucracy? Or does it mean that the Communists are simply consolidating their position in the Soviet Zone? I do not pretend to know. But I do know that we would be very foolish indeed if we allowed rumors or speculations about Soviet intentions to bring about a relaxation of our vigilance in the defense of the free world against military aggression. Let me repeat, President Eisenhower has said: "We welcome every act of peace," but as you all know, American rearmament, NATO, and the plans for the Epc are the result of disappointments in the past. They are the fruits of the bitter experience of the last 8 years.

In this connection it seems to me that Secretary Dulles' report to the American people on the NATO Council meeting³ needs to be considered carefully by all concerned with the European situation. Speaking of the necessity for the prompt creation of the European Defense Community, he said: "There is no other good solution of the problem of establishing adequate strength and peace in Europe," and, speaking of the need for the creation of a German force, he remarked, you will recall, "I do not believe that Americans, or British, or French want to anticipate fighting to defend Germany while the Germans look on as spectators." I venture the opinion that the Germans themselves will not long remain content to have their country defended by the presence of American, British, and French troops.

³ *Ibid.*, May 11, 1953, p. 671.

The Ultimate Goals

Coming as I have to Germany so recently, and having had a chance to talk with so many leaders of different political parties as well as leaders of industry, labor, and of your profession, I have been impressed by the unanimity of feeling here in the *Bundesrepublik* in regard to the ultimate goals. I take it that almost without exception thoughtful Germans would agree that Germany should, as quickly as possible, make its contribution to the common defense of Europe; that Germany should have a closer association with the other nations of Europe; and that the goal must be the reunification of Germany under conditions of peace and freedom.

The differences of opinion arise when it comes to discussing methods of reaching these important goals. About these differences of opinion within the *Bundesrepublik*, I do not propose to speak here this afternoon. The Germans must settle the debate themselves. I can only suggest a parallel. If a sea has broken through a dike and flooded great areas of fruitful land, isolating countrymen from one another, and if new storms threaten further disasters, it is reasonable to suppose that those

beyond the reach of the flood would want to get ahead as rapidly as possible in building a new dike. But if the people concerned continued to debate as to how the dike should be constructed—or even if it should be built at all—and how the flooded area should be reclaimed, then the danger of a new catastrophe, of total destruction, would be very great indeed. In such a situation, surely no one can deny that the important thing is to get on with the job and get it done. Whether there be any merit in the parallel I have drawn, time alone will tell.

Now one final word. President Eisenhower, in his appeal for world peace to which I have referred, spoke of the “serious and specific issues between the free world and the Soviet Union.” He went on to say, “None of these issues, great or small, is insoluble—given only the will to respect the rights of all nations. Again we say: The United States is ready to assume its just part. . . . With all who will work in good faith toward such a peace, we are ready, with renewed resolve, to strive to redeem the near-lost hopes of our day.”

This is the policy of our country.

The Costs of Survival in a Dangerous World

by Thruston B. Morton

Assistant Secretary for Congressional Relations¹

As we in Washington see it, there are two basic developments which, taken together, have made this the sort of world it is.

The first development might best be termed the rise of Soviet power and of that power's insistence on expansion at the free nations' expense. We are not threatened by a theory or a conspiracy alone—we are also menaced by a material force which to date has dedicated itself to global domination and to destruction of our way of life.

This force must be understood and clearly understood.

What is the nature of the Communist menace?

It is a total menace. It seeks domination through the use of every conceivable weapon; it operates in global terms with global objectives.

It uses every conceivable weapon—propaganda, subversion, economic pressure, outright aggression; further, it uses these weapons singly or in various combinations. The postwar years are replete with examples of this dangerous Communist flexibility. Let me cite just a few.

There was the drive to subvert the legitimate Greek Government in 1946-47. Greek strength, supported by American aid and technical advice, drove the Communists into retreat.

There was the economic pressure of the blockade applied to Berlin in an effort to drive the West out. Free world strength, brought to bear by the fabulous airlift, forced the jaws of that blockade open and kept the free world in west Berlin.

And there was the callous, unprovoked, naked aggression in Korea—an aggression that was halted and driven back by the strength of U.N. forces. For the first time in modern history, collective security has operated effectively on the battlefield.

¹Excerpts from an address made before the New Hampshire Taxpayers' Association, at Concord, N.H., on May 20 (press release 273 dated May 19).

We have yet to achieve peace in Korea—that is true. The American mother or father, the wife or the sister with a loved one in Korea will find little comfort in the fact that aggression has been checked there as long as the battle continues.

I am well aware of this. But the Communists have been forced to negotiate for a truce. We are negotiating, and we are doing everything possible to achieve a peace with honor. There is hope.

Now, it is true that the pattern of Communist imperialism of the past half-dozen years has taken on some new wrinkles. But—as I want to stress a little later—it would be folly to take these new wrinkles for a change in the pattern.

The global impact of a Communist conspiracy, whose heart lies in Soviet power, remains the first of two basic developments which condition the nature of the unstable world we live in.

What is the second?

You might call it the technological miracle which has turned a large world into a small one. You might call it the scientific age.

A shot fired at another Concord not far from here some 175 years ago was said to have been heard around the world. Today, a shot fired anywhere sets phones to jangling, pulses to pounding, and nerves on edge everywhere. And it does so in a good deal less time.

An election in Italy or Indonesia is carefully analyzed the day after it is held by experts in Washington, London, Paris, and Moscow. Today, a jet bomber can fly halfway around the globe in less than 24 hours.

Today, "it's a small world" is something more than a casual greeting. There is no such thing as an isolated nation. Isolationism is as out-of-date as last year's Paris gowns—even more so.

In a small world beset by the Soviet menace, we Americans have had no choice but to look at our situation realistically. We have had to recognize that our national security is dependent upon our assuming certain global responsibilities which your fathers and mine would not have thought of assuming.

Edmund Burke, British statesman and orator, once said—and I quote: "When bad men combine, the good must associate, else they will fall, one by one."

That statement, made almost 2 centuries ago, is as valid today as it ever was.

America cannot stand alone in this kind of world. The security of our nation and of all free nations depends upon our ability to maintain and strengthen our united defenses.

It depends upon our willingness and our ability to meet the Communist menace anywhere and everywhere. It depends upon our willingness to assume and wear the mantle of free world leadership with dignity, firmness, and tact.

We Americans have not sought the role of leadership. In fact, we have never sought it. Look back at our history. What do you see?

You see a nation primarily concerned with its internal development. You see a lusty youth coming of age. You see many peoples of diverse backgrounds and national origins creating a great country in which freedom and liberty are more than mere words.

For a brief period in the closing years of the 19th century, the cry of "manifest destiny" rang through the land. Some Americans felt that their new proud nation was entitled to flex its political and commercial muscles abroad. But the America of the current century gave short shrift to this attitude.

No, we Americans have not sought world leadership. But today we have had it imposed upon us by circumstances for the most part beyond our control.

We have no alternative but to meet the tests that leadership implies. These tests are both moral and material. They demand both physical power and adherence to principle.

Right to Differ Inherent in Democratic Unity

Let me say a word about principle.

Insofar as our leadership is concerned, we are wise not to forget that it is based upon democratic thought and democratic practice.

We have the right to ask that our friends in Europe and elsewhere carry their share of the mutual defense burden—and we have done so. We do not have the right to dictate to them—and we should not seek to do so even if we could.

The free peoples are working together in common cause because they realize that unity is the only sound road to security and peace. They are bound together by common principle, common purpose, and common need—not by force imposed from Washington.

Recently, there has been a good deal in the press about differences of opinion as between some of our European allies and ourselves. I am not going to comment on these alleged differences in any detail.

I would only point out that the right of Americans to hold different opinions is bedrock to our society. Should we seek to deny to other peoples the very right we ourselves cherish?

The right to differ is one of the crucial strengths not only of our own democracy, but of democratic unity in a difficult world. It is one of many important things that distinguishes us from the totalitarian tyranny which threatens us.

The fact that the free nations may differ on specific policies is much less important than the fact that they continue to agree on basic principle and to work together toward a common objective.

So much for the moral principle involved in American leadership. What about material strength?

I have spoken of the Communist menace as a global one. This means that our foreign policies

have had to be thought out in world terms. It also means that we require the material strength to support such policies.

The Soviets have made it clear that they understand only one language—that of power. We and our free world friends have had to speak that language. And we've had to speak it on a global basis.

The conflict in Korea is not an isolated one. It is related to what is happening in Malaya and in Indochina. Furthermore, what is happening in Asia is related to the situation in Europe.

It is all part of the same worldwide Communist pattern for conquest.

In considering that pattern, it is well to recognize that Communist words are related to Communist deeds, even if the words and deeds do not square with each other.

The Communists continually talk of "peace." At the same time, they carry on aggression in Korea and in Southeast Asia, and apply pressure to Western Europe.

What lies behind this seeming contradiction?

Shortly before his death, Stalin wrote an article for a leading Soviet publication. That article may well have been Stalin's last political will and testament. In it, the Soviet dictator stated that the free nations were bound to split. Communist victory, he said, would be assured when this occurred.

Stalin was not only reiterating a basic Marxist prediction. He was also setting down a line which Communists everywhere were expected to follow. And they indeed appear to be following it.

By talking "peace" while they practice aggression, the Communists hope to confuse and to divide the free world. Their current propaganda offensive is clearly directed at exploiting any differences that might exist between ourselves and our allies. It is further designed to play upon the deep-rooted hopes and fears of a humanity which earnestly desires a true peace.

In carrying through the obligations of leadership, we Americans would do well to bear in mind the deadly and devious aims of Soviet propaganda as well as of the various other methods the Communists employ to achieve their objectives.

We can hope for the best, but we must be prepared for the worst.

President Eisenhower put it very well when he said²—and I quote:

Until Soviet good faith is proven by deeds, the free nations must rely on their own strength for the preservation of peace. To fail to continue vigorously to strengthen our military forces would be to risk wasting all our efforts for the past five years in defense of our liberties.

These problems are obviously complex ones. They can be met only through a well-rounded, positive foreign policy. They are being met by just such a policy.

² BULLETIN of May 25, 1953, p. 735.

The Premise for Today's Foreign Policy

American foreign policy today is not a hit-and-miss operation. Nor is it designed to bow out of the picture at the end of a given calendar year.

American foreign policy today is based on the assumption that the Communist challenge will be with us for many years, regardless of any immediate relaxation of international tensions that may develop. The costs of that policy have been calculated with an eye to spending the minimum consistent with our long-run security.

The gradual buildup of NATO forces in Europe, the development of strong measures to cope with the Communist military threat in Southeast Asia, the encouragement of a unified Western European economy, the search for a moderate trade policy which will give other nations a reasonable chance to sell in the American market—all of these things are part of a positive foreign policy.

What is this positive policy costing us? What does it mean to you—the taxpayers—in dollars and cents?

What is the new team in Washington doing to minimize the costs of national survival?

In answering these vital questions, it is well for us to understand that Washington bureaucrats do not necessarily differ from other taxpayers when it comes to spending the tax dollar.

The new team in Washington is not interested in squeezing or misleading the taxpayer. In fact, the Eisenhower administration sees taxes pretty much as you in Concord see them. We are taxpayers too. And we are concerned with reducing the average man's tax burden to the lowest practicable level. But—as the President has pointed out time and again—it is not sound policy to reduce taxes before making reasonable progress toward balancing the budget.

The new administration has already taken a number of important steps toward a balanced budget. But the balancing cannot be done overnight.

Now, I make no pretense of being a fiscal expert. But I do believe that your Government has begun to move toward creation of a sounder dollar and a sounder credit structure.

As for specific economies, I might point out these:

The foreign-aid budget—and that includes both our military defense and economic expenditures abroad—was submitted to Congress only after 1.8 billion dollars was trimmed from the estimates made by the preceding administration; several major Government departments have submitted budgets which are well below last year's ceilings; the national defense budget, the biggest single item of Federal expenditure, has been trimmed by some 5 billion dollars.

These are important economies, and undoubt-

edly others are being made and will be made. But I think we need to be thoroughly realistic about this matter of Government economy. The cost of national security is high. It is going to continue to be high for some time to come. The cost of running the Federal Government as a whole is high, and the demands of national security are not the only reasons for this.

Facing the Fiscal Facts

Congressmen would receive fewer letters of complaint and people generally would be somewhat less impatient for a drastic tax cut if more of us stopped to consider the fiscal facts.

What are the facts?

In the first place, inflation does not play favorites. Your Government is required to pay just as much for the things it needs as are you or your next-door neighbor.

Things have changed in the last decade or so. Prices have skyrocketed. For example, a chair costing the Government 9 dollars in 1940 today costs 32 dollars. File cabinets have gone from \$24.75 to \$61 in the same period. Desks which went for \$27.75 in 1940 now cost more than three times as much.

Government employees—and they have to eat just like other people—have had their wages raised considerably, even as have those who are privately employed.

The great majority of Americans are living better today than ever before, but we have had to pay for it.

Another factor in the governmental situation, which those who are impatient for drastic tax action might well keep in mind, has to do with the Government's complexity.

A generation ago the executive branch of the Government was composed of the White House, the Cabinet departments, and a handful of specialized agencies. When Franklin Roosevelt came to power, there were only about 500,000 Federal employees. The Government's responsibilities were considerably fewer and it played a considerably lesser role in the economic sphere.

Today, the number of executive agencies has more than quadrupled. There are five times as many Government employees, and the Government's obligations, both at home and abroad, would have staggered the imagination of even the most radical of thinkers back in 1930.

There are several important conclusions that can be drawn from observing this Government of ours in operation and from an understanding of its responsibilities. These conclusions, I might say, are my own.

The first is that you just cannot take a complex organization of two and a half million people and slice off a quarter or a half.

To use the meat-ax approach on the Federal budget—as some people advocate—might well

imperil our existence. With government functions being as complex and interrelated as they are, there is always the danger of cutting through a bone when aiming at a piece of fat.

No, the meat-ax approach is definitely not recommended. The scalpel would be more to the point. We must probe for waste carefully. And the administration has been doing just that.

A second important conclusion is that the new administration in Washington is not in position to turn back the clock. No man—no matter how clever—can recapture time. And I strongly doubt that it would be wise to do so if it were possible.

The administration has dedicated itself to certain specific objectives. It is seeking to maintain economic stability and a reasonable level of defense within the framework of a genuinely democratic economy. It is striving to protect and strengthen private enterprise.

The President has made it clear that Government activity in the economic sphere will be kept to that minimum consistent with the public interest.

This—it seems to me—does not imply a return to the situation which existed in 1920 or even in 1940. The Government's relationships with the domestic economy are highly complex and our obligations abroad are neither short-term nor minor.

For these and other reasons, we are compelled to gear any economic steps we take to the needs of 1953—not those of a generation or even a decade ago.

A third conclusion that I believe we must draw is that democratic government cannot function in a straitjacket. Nor does it.

Ours is not a monolithic state like the Soviet Union. Here, governmental decisions are the product of the interplay of many different forces and many different influences. Such is the essence of democracy.

There are those who seem to think that the President can issue an order and get any desired result. It is true that Mr. Eisenhower can issue instructions to the executive branch of which he is the head. But—as many chief executives have learned through sad experience—he can neither coerce the Congress nor stampede the Supreme Court.

The President does have power—much power. But he has been given that power by the American people, who have trusted him to use it wisely.

Wisdom demands that the President lead more by persuasion and reason than by directive. And that is exactly what the President is doing.

The final point I would make here is that the President cannot be expected to solve every problem we face in a matter of hours, days, or even months. Further, there are basic problems that cannot be solved on short notice even if he were to have the powers of a dictator, and I know that

you will agree that we have no use for a dictator in this country.

I also know that one of the best ways to assure our strength and our security as a democratic nation is to recognize that democracy imposes responsibilities, even as it guarantees rights and privileges.

Democracy cannot be taken for granted—particularly in this day and age. It must be worked at.

Every individual American and every American group with a specific interest is, I believe, obligated to accept the fact that there is such a thing as the national interest and the general welfare.

Every such group or individual must also appreciate that his particular objective is subordinate to the national interest. In short, the national well-being demands compromise from each of us—a certain willingness to sacrifice our maximum demands for something more moderate.

In this willingness and ability to sacrifice special interests to the general welfare lies one of the major keys to the American democracy's staying power.

I'm not a betting man. But if I had to bet I would stake everything I had on the common sense of the average American and on the future of America.

U.S. Objectives in Western Europe

by Ridgway B. Knight

Deputy Director, Office of Western European Affairs¹

I believe it is unnecessary, with a group such as this, to describe in any great detail the vital importance of Western Europe to American security. The hard, cold facts of modern life prove that we can no longer think of American defense solely in terms of our own manpower, our own weapons, our own natural resources, and our own factories and farms. Instead, we must appraise our security situation in terms of the combined strength of the United States and its allies. We must think not only of how much we would lose if the nations of Western Europe should fall under Soviet domination but also how much they would gain thereby. We must think of how much we gain if these nations remain on our side and develop their strength. Finally, we must think of the significant contributions which certain of these nations are making to the security of other parts of the free world, in Korea, Malaya, and Indochina.

I cannot, in this short period of time, catalog all the problems we face in Western Europe. It is better, I believe, to try to visualize our main objectives in Europe and to try to consider the major developments which affect us at the present time.

Our main objective in 1953, as it has been ever since the war, remains the development and consolidation of U.S. security in the face of the most

direct and the most dangerous threat which has ever been directly leveled at our country. There is no evidence whatever that this threat has lessened, despite the much talked of "Soviet peace offensive."

The history of the Soviet dictatorship and more particularly its action since the end of the war constitute positive facts which speak for themselves.

In fact, the last Communist official pronouncement which has the force of dogma specifically indicates that one major aim of Soviet policy is to dissolve Western unity. Stalin's pronouncement on the eve of the 19th Congress of the Soviet Communist Party last October re-emphasized "the need to promote conflict and exploitable weaknesses in the non-Communist world."

On the other side of the ledger we have as facts only a very limited exchange of wounded prisoners of war and some visas granted to a few distinguished American travelers. Otherwise this much publicized "peace offensive," which Secretary Dulles has aptly described as a "peace defensive," has ironically enough received its impetus from such minor causes as a few smiles on the faces of Soviet diplomats and a welcome to these same American visitors in Moscow—a welcome which in every other country in the world would be considered as merely normal.

Considering this situation it is essential to strive for a judicious balance. On the one hand we must

¹ Address made before the World Affairs Forum of the Foreign Policy Association of Pittsburgh, Pa., on May 7.

obviously refrain from being so frozen in our mental attitudes that we would not be willing to avail ourselves of changed conditions in Moscow which may result from the death of Stalin. On the other hand we must realize that the probability of a basic change in attitude of the Soviet oligarchy is slim indeed and that we must diligently preserve those policies of calm and strength until we have received positive proof that the leopard has changed his spots. By lowering our guard we could well fall into a trap set for us.

In the meanwhile, however, we should seek to avail ourselves of any opportunity offered to us by the other side with a view to redressing little by little the still unfavorable balance. In each case we should do it for a specific objective, and we should carefully refrain from accepting any one of these single objectives as a final test of a change in Soviet policy as a whole. This can only come from overall performance along the lines set down by the President.

It remains that the basic problem which faces not only our country but also our NATO partners is how to develop and maintain a position of real strength over an unpredictable number of years. We have no evidence that the threat to our security will diminish on any predictable date, nor do we have evidence that would permit us to assume an attack on any particular date. In this situation, as Secretary Dulles recently said, it would be a mistake "to exhaust ourselves by spasmodic programs designed to meet ever-recurring emergencies."

It is obvious that one of the most important problems connected with a long-term security program is the economic problem. This is true for two reasons. In the first place, military strength alone is not sufficient for our security, because the Communists have proved their ability to take over countries which are weak economically and spiritually without the use of military force. There can be no stable society without the prospect of an acceptable standard of living for the people who must defend that society. In the second place, it is equally clear that military strength itself cannot be developed or maintained without a sound economic base. It is therefore our purpose to keep our military efforts in balance with U.S. and European economic capabilities.

If we are to increase our mutual strength in the face of present economic and political limitations, there are two things we must do. First, we must try to obtain more real defense from the present resources devoted to defense. Second, we must seek to utilize other resources not yet tapped.

Our ability to achieve a better use of present resources requires constant striving within NATO to eliminate unnecessary duplication and waste. It requires us to press forward with the principle of balanced collective forces adopted by NATO in May 1951. Under this principle, we seek to attain balance among the various elements of the military

forces of the NATO countries as a whole rather than balance within individual national forces. Finally, it is evident that the achievement of greater unity among the nations of continental Europe will, in the long run, greatly facilitate the effective use of available resources.

Collective Security Needs France and Germany

In seeking to tap new reservoirs of strength, one prospect stands out at this time above all others. I refer, of course, to Germany. The manpower, industrial plant, and technical skill of Western Germany can add substantially to the total strength available for the defense of the Atlantic community, and it is exceedingly important to us that this strength be utilized.

Both our desire to encourage European unity and our interest in a German military contribution focus, at the present time, on the European Defense Community. This is a plan, designed by European statesmen, to permit Germany to contribute military forces to Western defense, not as independent national forces but as part of a combined European army. Thus, EDC would not only make possible a German military contribution but would also represent an important step toward closer continental unity, which should have substantial political and economic benefits as well as political and military advantages.

American policy has firmly supported this European plan. In fact, the U.S. Government has sometimes been criticized on the grounds that it has set forth no alternative policy in the event EDC should fail of ratification. However, the point of the matter is very simple. Theoretical alternatives to EDC exist. Practical alternatives, given the political facts of life facing us today, have not yet come to light.

As we are in search of a net addition of strength, the German contribution is required over and above the existing elements of strength in the free world. Were it only possible to obtain Germany's contribution at the expense of defections in other quarters, our interests would not be served. To put it bluntly, our collective security requires the full participation of both France and Germany—not of Germany or France.

As matters now stand the only political framework within which the French people may accept the military collaboration of their enemy of yesterday is the EDC.

As long as this remains a political fact, it is quite sterile to talk of alternatives.

Fate of EDC Largely Dependent on France

As we all know, the fate of the EDC is in suspense at this time. The final outcome will depend largely upon the eventual decision reached by the French parliament. I will not seek to express a judgment as to whether French hesitations are justified or not. Passing judgment on others is

seldom profitable. In the field of foreign relations it usually complicates rather than helps a solution.

In my opinion, and I would like to make it quite clear that I am only expressing a personal view, the process which the French people have gone through is a simple one. In connection with the EDC, the French people went through a first phase which can be called intellectual and logical. As a German contribution appeared to be necessary, and was being insisted upon by the United States, the European army seemed to be the safest framework therefor, limiting the potential future threat of a dynamic Germany which exists. However, to view the situation as it was, it should also be recognized that during this first phase the European army seemed so distant that the general public hardly gave it serious thought.

The second phase can be termed affective and sentimental. Reason had no part therein. The thousand and one traditional and historical fears and suspicions about Germany commanded and determined this reaction when the EDC evolved from a dream into a real possibility. This reaction was not confined to extreme nationalists. It stemmed from the heart of the vast majority of French people who instinctively revolted against the thought of any kind of union with the traditional enemy of yesterday, and against the thought of the disappearance of the French Army of which the most outspoken antimilitaristic Frenchman remains proud deep down in his own heart.

Illogical as it may seem, this state of mind is very human and very common. Haven't all of us, when faced with personal situations in which our reason has told us to do one thing, done quite the contrary? This sentimental reaction was unavoidable and was foreseen by many.

Our hope, and I believe it is a sound one, is that this second and sentimental phase will gradually give way to a third phase in which reason and logic will again come to the surface and gain the day. In the last 2 months French leaders from the Prime Minister down have spoken to the French people more frankly than ever before. They have shown why there is no alternative for France and that there is no turning back in this great forward movement, which in addition to harnessing the strength of a vital Germany to the common cause should usher in an entirely new historical period of material, spiritual, and intellectual development in a gradually uniting Europe.

We have read much in the newspapers about protocols to the EDC treaty and other conditions stipulated by the French Government for ratification of the treaty. While politically important because of the ever complex parliamentary situation in the French National Assembly, these conditions in my opinion represent the manifestations of the underlying state of mind of France as a whole, rather than absolute requirements in them-

selves. Given an instinctive refusal to move forward, new conditions could be expected ever to crop up so as to justify logically the sentimental unwillingness to move ahead. However, given a modification in this underlying state of mind, these specific conditions can and will be met. The mere fact that a month ago the protocols to the treaty were agreed, while until shortly before then they seemed insurmountable obstacles, is one of the best indications of improvement.

As you know, while there are a number of issues which have a bearing on French ratification, the Saar is the major one. Here again, given the desire on both sides to proceed, an acceptable solution to both will be found, notwithstanding the fact that in many ways the Saar issue provides a synthesis of the differences in many fields which have pitted France against the forces of a national Germany since Frederick the Great was King of Prussia.

Quite aside from substance, one of the most urgent considerations at this moment is speed. Barely 4 months remain before the national elections in Germany when Adenauer, a truly great European statesman, and his coalition Government will face the voters. In all likelihood his chances at the polls will, as in every democracy, be conditioned by his record. If the EDC has not been ratified by September and if, therefore, the contractual relationship with Germany has not come into force, and Germany remains under the statute of occupation, the opposition will see to it that the tremendous improvement in everyday life of the average German which has occurred under Chancellor Adenauer's tenure will be minimized. The *de facto* status achieved by the Bonn government will tend to be forgotten and the charge will be made that Adenauer has not been able adequately to promote and defend the interests of Germany. As a result, it is well within the realm of possibility that the German Government might be taken over by elements which now oppose plans for a European Defense Community. Whether these elements would eventually modify their attitudes is uncertain, but one thing seems quite certain. There would not only be further delay in obtaining a German defense contribution, but there would also be a severe loss of momentum in the movement toward European unity. In fact, it is possible that the European idea would have lost so much ground that it would be unattainable in this generation.

Let us now return to France.

Present French Situation

While France's reactions are largely sentimental and historical, they are also materially conditioned by her present situation. At this point it might be useful briefly to review her basic position.

France's essential trouble is that she is overextended populationwise, economically, and finan-

cially. Perhaps the greatest problem at this time is related to her budget, of which the three main components are her NATO effort in Europe, the Indochina war, and, lastly, reconstruction and development. The latter, while largely forgotten in 1953, remains a very heavy one.

In seeking to face this three-fold task during the past few years, France has been running a budget deficit which has exceeded 20 percent of the total in 1951 and 1952 and is accruing in 1953 at a rate of approximately 30 percent.

As in every country there are three ways of balancing a budget: by increasing taxes, by deficit financing, or by cutting expenditures.

If we look at the first possibility, that of increasing taxes, one is usually met by the argument that if only the French paid their taxes their budget would be balanced. What is thus overlooked is that tax evasion is an ancient custom in France and that the State takes this into consideration when establishing tax rates. As a result, certain tax rates are abnormally high. Even with considerable tax evasion, the French people actually pay—in taxes collected—at least as great if not a higher percentage of their national income than the percentage paid by American taxpayers to Federal, State, and local governments combined. In other words, with an average income of about one-third the average American income, the French taxpayer must turn a larger proportion of his income over to the tax collector than the average American does.

If we look at the second possibility, deficit financing, we find little reason for hope, as ever since 1914 the French people have had a virtually continuous inflation experience, with the result that the franc today is worth about one-half of one percent of what it was worth before the First World War. With this kind of personal knowledge of what extreme inflation can mean, the average Frenchman is most reluctant to invest in any kind of bond, be it a state obligation or a private one. Therefore, before the French will be willing to invest in government bonds a good many years of financial and currency stability will be required before sufficient confidence can be established.

In view of what we have said about the first two possibilities, it is obvious that as time passes the pressure on the French Government to resort to the third method, namely reducing expenditures, is becoming heavier and heavier. As France's main hope of eventually being able to support herself resides in expanding her basic economy through completion of her reconstruction and development program, the pressure is therefore increasingly concentrated on the reduction of her military expenditures. Here the choice is between reducing in Indochina or in Europe.

As the average Frenchman places the security of the mother country first, all these pressures are

gradually being concentrated on the Indochina part of the budget, and in this connection I might briefly mention that, notwithstanding the very large amount of aid which we gave to France last year, this did not amount to half of her total budgetary outlays for the Indochina war.

I mentioned earlier that France was also overextended demographically and will only mention one example. At the present time about 30 percent of her officers are in Indochina or on rotation to and from there, as are 40 percent of her career noncommissioned officers.

As a result of what I have outlined above, an inferiority complex definitely exists in France with respect to Germany. Germany, in addition to being the hard-working dynamic and demographically powerful country that she is, has no extra European commitments. Consequently in regard to ratification of the European Defense Community the French fear that with France's energies divided between Europe and the Far East, Germany will inevitably rise to the dominating position in the EDC.

Italy and National Elections

In a summary, however brief, dealing with Western Europe, it is impossible to overlook the Italian national elections. These are the first to be held in a country with a large Communist party since the death of Stalin and since the stepped-up divisive efforts of the new Soviet Government.

The problem is not whether the Italian Communist Party and the Nenni Socialists will obtain a majority. That fortunately can be excluded. The problem is different. The Italian parliament has adopted a law giving 65 percent of the seats to the party or to the several parties linked together—that is presenting a joint common ticket—obtaining 50.1 percent of the total votes cast.

So that the Italian democracy can continue to function in an orderly fashion, the four parties of the center coalition—Christian Democrats, Republicans, Liberals, and Independent Socialists—must achieve the fateful percentage of 50.1.

The danger is that they may not for the following reasons:

1. The Communist Party, and especially the Nenni Socialists, which pretend to be independent, may well increase their voting strength.

2. The MSI, or Neo-Fascists, may gain somewhat.

3. But more dangerous than the above, many Italians with sentimental attachment to the House of Savoy who voted Christian Democratic in a reflex of self-preservation in 1948, when Italy seemed to be on the verge of going Communist, may give in to their sentimental impulse and vote Monarchist now that the Communist danger seems to be receding.

What will happen if the center list does not obtain 50.1 percent of the total?

At best a situation in which government coalitions will have to depend on the alliance of parties which are basically antagonistic. Governments would be short-lived, of the French variety, but more brittle and ineffective as the additional increment needed to make up a majority will be even more foreign and more basically opposed than is the case in France. Thus a weakened Italy would be a basic source of weakness for the entire Mediterranean flank of the Western alliance. Indeed much has been said recently about the increasing cooperation between Greece, Turkey, and Yugoslavia. Little, however, has been said about Italy, which backs up this line. If the worst ever came to the worst and war should break out, Italy would be not only the base for logistic support of a large part of the Balkan area, but would also be the base for air support. Just as Germany could not hold back a Communist attack without the backstopping support of France and other Western European nations, the defense of South-eastern Europe would be virtually impossible without maximum Italian cooperation and strength.

... I will be brief in my conclusion. Let me stress that this conclusion is also quite personal.

Danger Inherent in Present Situation

I am concerned about the coincidental and cumulative effects of certain developments at this particular moment. I refer to the fact that at the very time when the impact of the notorious Soviet "peace offensive" is beginning to be felt on the Continent, the British Government has announced its new budget with tax decreases, and we are publicly stressing the stretched-out character of our own defense effort.

Now the U.K. budget is based on a fine plan: one which by offering more initiative to the average Britisher should quickly result in a larger economic base to be taxed and, therefore, produce a larger tax yield.

Likewise in our case it is essential, in view of the nature of the threat which we face, that we so adjust our affairs that our house will be in good order, in an order acceptable to the great majority of the American people, to enable us to maintain our effort over perhaps many years.

However the fact remains that these simultaneous developments could quite erroneously be interpreted on the Continent of Europe as proof positive that the United States and the United Kingdom, regardless of their public pronouncements to the contrary, consider that the Soviet threat has appreciably lessened. This could set in motion a train of events which could well disarm the Continent spiritually as well as materially.

I believe Secretary Dulles stated this problem exceedingly well when he presented the Mutual

Security Program to the Congress and urged that the Congress make no reductions in foreign aid beyond those already made by the administration.² He pointed out that our allies have accepted our reduction in foreign aid in good spirit, as a necessary part of a common program whereby we will all try to bring our security commitments into line with economic health. But he went on to say this:

If we do not do all that is possible within the limits of our economic health, then our purposes will be misinterpreted and our allies will feel that their fragile economies are being subjected to multiple blows which are more than they can sustain.

He added that a further reduction in our commitments might involve risks greater than are acceptable at the present time.

Please do not think that I consider war unavoidable. I do not now and never have.

But I do consider that our security is based on a strength of the free world adequate to make the other side think twice before committing an act of aggression which might be a *casus belli*.

Therefore I am convinced that we must seek to maintain that most difficult balance and equilibrium between defense and well-being—in a sense we should strive to give concurrent priorities to these naturally contradictory facts. We must preserve solvency and standards of living in the free world which will protect that which we are determined to defend. Also we must accept the heavy burden to maintain the military strength needed to protect from aggression this free way of life of ours which we enjoy today and which is the birthright of our children.

MSA Allotment to Netherlands for Productivity Agreement

The Netherlands has become the third European country to launch a stepped-up productivity drive under the terms of the "free-enterprise" amendments to the Mutual Security Act, the Mutual Security Agency (MSA) announced on May 7 in making the first allotment of funds under its new agreement with the Dutch.

It is planned that the present allotment of \$1,500,000 is to be followed before July 1 by another \$1,500,000 allotment of defense-support funds, which will be used to provide commodities needed by the Netherlands in its defense buildup.

The Dutch Government is depositing an equivalent amount of guilders in a special counterpart fund to finance the new drive.

Similar agreements have been concluded by MSA with the United Kingdom and the Federal Republic of Germany under terms of the "free-enterprise" legislation, and others are being nego-

² BULLETIN of May 25, 1953, p. 736.

tiated. These amendments to the Mutual Security Act direct Msa to negotiate productivity agreements for the purpose of "stimulating free enterprise and the expansion of the economies of those countries."

To enable Msa to carry on these programs, Congress stipulated that \$100,000,000 of Msa funds should be used to develop an equivalent amount of European currencies to finance a European-wide productivity program.

Negotiations for the Dutch program, which will expand and strengthen the effort already being made under the Msa technical-assistance program to increase productivity, have been under way since July 1952. When the Dutch announced last January that they would not require Msa defense-support assistance during the 1953 fiscal year,¹ they indicated their continued interest in participating in technical-assistance programs, and it was agreed that the productivity program would not be affected as a result of the action.

The Dutch program proposes to seek immediate increases in productivity in the metal, building trade, and clothing industries and the introduction of new techniques of distributing consumer goods.

Guilder grants are to be made to the metal industry, including foundries, to remedy low productivity in small firms. This assistance is designed to enable these firms to qualify for sub-contracts from larger companies and permit an increase in the production capacity of the industry. The metal industry figures largely in the defense-production program of the Netherlands.

An expanded building program to replace war-damaged factory facilities and housing for workers is also important to the Dutch economy and defense effort. Grants to the building trade will be specifically designed to help it incorporate new techniques in its activities and speed the country's construction program.

Previous studies that have been made under the Msa technical-assistance program have pointed to substantial gains that can be made in meeting consumer demand for clothing provided standardization of current output can be achieved. To accomplish this, substantial grants are planned for the clothing industry.

To assist in the effective distribution and sale of the expanded production, grants will be utilized in improving retail marketing practices.

In addition to the grant program, productivity funds will also be used as loans to medium and small firms in these three vital areas to assist them in modernization of plant design and equipment layout.

Paralleling this program, which has been developed jointly by Msa and appropriate ministries of the Netherlands Government, is a similar productivity program of the Dutch themselves. This will be carried on entirely by Dutch resources and will seek similar aims through the intensive use

¹ BULLETIN of Feb. 9, 1953, p. 217.

of technical-assistance projects, including technical-information programs, and a Dutch loan fund to be used for the benefit of small and medium private industries. Both programs have been developed with the full participation and concurrence of Dutch private industries, labor, and consumers groups.

Suspension of MSA Aid to Iceland

The Mutual Security Agency announced on May 16 that at the proposal of the Icelandic Government, American defense support aid to Iceland is being suspended. A similar announcement is being made in Reykjavik by Icelandic Minister of Commerce Bjorn Olafsson.

This suspension of aid follows a final allotment to Iceland of \$3,250,000, which will be used to help Iceland settle its intra-European payments position through the operations of the European Payments Union (EPU). The final allotment, made May 13, makes a total of \$5,450,000 in defense support funds for that country in the 1953 fiscal year and a total of a little more than \$37,000,000 in defense support and economic aid for Iceland since the initiation of the Marshall plan, Msa's predecessor, in April 1948.

In proposing that Msa defense support aid be suspended, Icelandic Government officials pointed out that the American aid in the past 2 years has been entirely related in one form or another to the carrying out of three projects basic to the Icelandic economy. These are construction of two hydroelectric plants and one fertilizer plant. All three are scheduled to be completed this summer.

Msa said that the suspension of defense support aid does not affect Iceland's participation in the Msa productivity and technical assistance program. It also does not affect Iceland's membership in NATO, the Organization for European Economic Cooperation (OEEC), and the Council of Europe.

Since Iceland has no military establishment, it has not received any direct military aid under the Mutual Security Program. It is, however, the site of a U. S. air base.

Three-Power Meeting To Be Held

Statement by the President

White House press release dated May 21

The Governments of the United States, Great Britain, and France have been in consultation with the view of holding an informal high-level meeting. We have agreed that such a meeting is desirable at a date convenient to all of us. A primary purpose will be further to develop common viewpoints with these friends on the many problems that must be solved cooperatively so that the cause of world peace may be advanced.

An Expression of Friendship for the People of India

Remarks by Secretary Dulles¹

Press release 282 dated May 22

I greatly appreciate the courtesy of the Government of India in giving me this opportunity to speak directly to those people of India who are listening to this broadcast. I speak to you as the Cabinet Minister who, under President Eisenhower, is responsible for foreign policy. It has fallen to my lot to be the first Secretary of State of the United States ever to come to India during the 160 years of our national existence. That is something of which I am proud.

The President has asked me to come here with Mr. Stassen, Director of our Mutual Security Agency, in order to carry his greetings to you, to express the friendship and interest which we feel for the people of India, and to learn from you. Our conference with Prime Minister Nehru, with your planning commission, and with other officials, and our visits to some of your national monuments, all help us to better understand the spirit of India. This knowledge will in turn help the United States to make a better foreign policy. . . .

The United States feels that it carries a very heavy burden and responsibility in world affairs. We did not seek that responsibility and indeed many Americans regret we have it. But since we do have it, we want to act wisely. That means we should sit down with our friends and discuss common problems and interests so that we may know at firsthand the views of other countries with whom we share the common objective of assuring peace and striving constantly for improvement in the welfare of all mankind.

Our own Declaration of Independence declared that we owe decent respect for the opinion of mankind. We have sought and will continue to seek opinions of other nations, and we will take these opinions into account in making our own policies.

May I remind you that when the U.N. Assembly was discussing Korea last year, the United States voted for the Indian resolution although this required us to change our own original position. It was other countries, not the United States, which rejected that resolution and thereby created a new situation.

We are eager for peace. It is true that the United States has fought three times in this century. We fought in World War I, we fought in World War II, and we are fighting today in Korea alongside South Korean and other U.N. forces. But we can hardly be accused of starting either the First World War or the Second World War, for both these wars began over 2 years before we came in. When we did come in, we were almost

wholly unarmed and it took another year for us to be ready to fight effectively. We came into those wars only because it seemed that if we did not, militaristic dictators would crush free peoples.

We fight in Korea in response to a June 25, 1950 decision by the U.N. Security Council—a decision in which India joined. That decision was based upon a report by the U.N. Commission in Korea, of which India was a member, to the effect that there was military aggression against the Republic of Korea which might endanger the maintenance of international peace and security.

After the end of the Second World War, the United States quickly disarmed itself. After the Korean aggression we rearmed, but although we are fortunate to be endowed with great material strength our military establishment today by no means is the largest in the world. I can say to you that the American people are passionately devoted in seeking a just peace.

Some think that we are materialists. It is true that our people produce a high standard of living and that it is talked about all through the world. But the Americans are basically idealists. We are not ashamed of our material well-being, but we admire and respect things of the spirit. We are constantly seeking to enrich our culture by drawing on the culture of others. That is natural, perhaps, because we ourselves are a nation of immigrants made up of many races, colors, and creeds.

We read literature of other countries, enjoy their art, and listen to their music. Our people travel throughout the world and enjoy works of beauty which other peoples have created. Many millions of Americans have visited your wonderful Taj Mahal and those who cannot get here at least are familiar with it through photographs.

Finally, I would like to remind you that those who founded our Nation nearly two centuries ago did it in the hope that a United States would by its conduct and example promote freedom everywhere. President Lincoln who liberated slaves declared that our Declaration of Independence meant liberty not only for the people in our country but "hope for the world and for all future time." "It gave promise," he said, "that in due course weights should be lifted from the shoulders of all men." That, in a few words, has been and is the ideal of the American people.

President Eisenhower expressed the same ideal a few weeks ago. He made a moving appeal to all peoples of the world urging concrete steps to restore peace and justice in the world and to relieve mankind from the terrible burden of armament. He pledged that if there were deeds to restore international trust, that the United States would join with others to help all peoples of the world to live a better life. That appeal has received tremendous response throughout the world. That is because it was based on principles close to the hearts of all free men. . . .

¹ Made over the All-India Radio at New Delhi on May 22.

The Value of Technical Cooperation in Latin America

by John M. Cabot

*Assistant Secretary for Inter-American Affairs*¹

There is today before Congress a series of bills designed to grant increased protection for American producers of oil, lead, zinc, fish, and other products which Latin America exports to us. No one wants to see legitimate American industries prejudiced and workmen thrown out of work. From a narrow viewpoint we must remember that the question is not whether we can or cannot prevent depression in the oil, lead, zinc, and fishing industries. Clearly we can. The question is how can we cause the least possible unemployment and injury to our production as a whole. To save the employment of tens by special favors, at the expense of throwing hundreds out of work—to protect millions of invested capital at the expense of tens of millions—is not wisdom. It is the road to universal misery—closed factories, breadlines, despair the world over. Let us not choose that road.

Let us not indeed be so selfish as to think of the effects of exaggerated protection from the domestic viewpoint only. Our Latin friends produce many items which we buy from them in enormous quantities—coffee, sugar, copper, tin, lead, zinc, oil, bananas, wool, hides, etc. Their very subsistence depends on their exports of those commodities. If we do not buy what they are accustomed to produce, they will certainly have to give up much of what they now have. Not only will our normal exports to them be choked off, we shall substitute for them liberal exports of resentment and despair. That is not the road to cooperation, friendship, pan-Americanism. Even those who care nothing for the unfriendliness they will create in our sister Republics by choking off imports from those countries might do well to think of the help that would thereby be given to communism in neighboring lands. How unctuously the Communists would roll over their tongues this further

evidence of the inevitable contradictions of capitalism; and how easily the Latin American worker, who has lost his job when Uncle Sam slammed shut the door of international commerce, would accept this slick argument. Most of us will want, however, to think of good relations with our sister Republics as well as our national security.

There will be times when we shall have to protect domestic industries against unfair competition. We have recently been compelled, for example, to our great regret to levy a countervailing duty on Uruguayan wool tops. Recognizing the resentment that such decisions will inevitably cause, I nevertheless hope that our friends will appreciate that we did only what our law with good reason required.

On the other hand, I think it is vital for us in the United States to realize that we should not interfere with legitimate imports from other countries which have built up their trade over the years, merely because conditions in the domestic industry are not quite as good as they have been. In particular, I trust we are not prepared to repudiate binding trade agreements concluded under the authority of a law passed by Congress in order to curtail oil, lead, and zinc exports from our sister Republics. Surely that is not the proper course to follow.

Our economic well-being, the rising standards of living in our sister Republics which will contribute to that well-being, the supply of materials vital to us in an emergency, and above all that continental solidarity which contributes so vitally to our national security, all depend upon the development of normal trade with our sister Republics. Let us not permit any individual interest to rise above our clear national interests.

To this may I add a word for our Latin friends. Our economic measures are not always wise and farseeing, nor are all of our fellow citizens angels with golden harps and wings. I earnestly hope, nevertheless, that our friends to the south will not blame us for the results of their own economic

¹ Excerpts from an address made before the Board of Directors of the National Foreign Trade Council, Inc., at New York on May 15 (press release 260 dated May 14).

mistakes. There has been too strong a tendency among them to try to raise living standards by an assortment of panaceas, such as currency and credit inflation, heavy export taxes, multiple exchange rates, subsidies, nationalizations, controls, etc. Basically speaking, there is only one way that the living standard can be raised and that is to produce more. It is impossible to divide among consumers what is not produced. It is indeed important that what is produced should be divided fairly, but it has to be produced first. Prosperity depends not upon high prices, which choke off demand, but rather upon a high volume of production in proportion to the human labor involved.

Production can be increased in many ways—in agriculture, for example, by better seed, plowing, fertilizers, techniques in general. But in this modern world the greatest aid to increased production is increased capital. The worker in the United States is intelligent and hardworking, but so are many others in this world; the reason that our worker enjoys the highest living standards in the world is quite simply because he has vastly the greatest store of capital tools to help him produce. That is why he produces more and has more.

Need for Foreign Capital

I earnestly hope that our sister Republics will transform their great natural resources, as we have, into the capital equipment which will mean for them progressively higher standards of living. We look forward with them to the day when their domestic capital can cover domestic needs. But as we did, they will need foreign capital to cooperate in their development. In this connection, it is vital to remember that we did not permit foreign capital to plunder our national resources but we also treated foreign capital fairly. We did not kill the goose that laid the golden eggs.

It is rather discouraging to receive letters reading like this:

Certain foreign capital acts as a retarding force in these countries. It has established such heartless and absolute monopolies that it has replaced the son of the country in every activity—agricultural, commercial, industrial. It has oppressed him, denying him the means of satisfying his necessities, and using its influence to have the State do the same. It intervenes in the internal politics of the country. It secures unwarranted concessions and tax exemptions, bribes officials, etc.

These things are said of companies which have poured millions of capital into the jungle and the desert and made them into great producers of wealth; that pay their workers higher wages and provide better housing, working conditions, hospitals, schools, etc., than can be found anywhere else in the respective countries; that have made vital contributions, without thought of reward, to various phases of the national life; and that in several instances have regularly furnished a very substantial part of the exports of the countries,

without which the economies of these countries would be gravely affected.

We can only deplore the fact that so many sincere people should have swallowed such false and misguided propaganda. That the Communists are pressing it is only to be expected; that people who love their countries should espouse views which can only injure their countries is difficult to understand. If foreign capital is guilty of abuses, and there are undeniably cases where it has been, measures can be taken to correct them which will not ruin legitimate foreign investors and paralyze development. But today the picture is all too often one of foreign capital which is being unreasonably harassed. That is tough on the foreign capital involved. It is much tougher on the country where it is invested, for that country is thereby injuring the well-being of its people and its national development while the Kremlin laughs.

American capital has a great responsibility to demonstrate to the people of the country in which it is invested the tangible benefits it is bringing to them. The governments and the thinking people in those countries have an equal responsibility to their own countries to convince their countrymen of the advantages which accrue to the national development through fair treatment of foreign capital.

Amid all these difficulties and perplexities, I have nevertheless a heartening message for you. I have just returned from visits to 11 of our sister Republics in the Caribbean area. I went doubting that the tide had turned in the battle against hunger, disease, and consequent communism in that area. I return convinced that it has. There are some bad spots in the generally bright picture; the battle is far from over and I must solemnly warn you that complacency on our part might easily be fatal. But the trend in this area is generally in the right direction and with steadfastness and wisdom it will continue so.

Results of U. S. Technical Cooperation

I wish in particular that you might have been with me to see and hear as I did what our technical cooperation is meaning to them in improved living standards. When this work was originally started during the war by Nelson Rockefeller and his organization, I must confess to misgivings; our Latin friends are very sensitive and it seemed to me that they might resent our offers of cooperation in such fields as education and public health. In self-defense be it said that from time to time there has been enough of that to show that misgivings were not altogether unfounded; but they have been swept away by the striking successes achieved by the cooperative services we have backed. I am not telling you what our people told me; I am telling you what the officials of the countries I visited said. The closer they were

to the work the more appreciative they tended to be.

The usual pattern is for the two governments to set up a cooperative service, say in health or agriculture. At the beginning the United States furnished the bulk of the project funds to pay the needed American technicians, materials, and training grants; the other government furnished the money needed for local expenses, trainees, facilities, etc. The purpose is for the U.S. technicians to work themselves gradually out of their job as the other government develops know-how, organization, trained personnel, facilities, etc. Today on an average the other government furnishes almost $\frac{2}{3}$ of the technical-assistance funds and the vast bulk of the personnel. Let me say that this is by no means a one-way street; some of our technicians working in the various countries with their local colleagues have fathered developments of value to all of us. Interestingly, one of the perpetual troubles of the cooperative projects is the way in which their trained personnel get swiped, particularly by other agencies of the local government. Not that we really object to this; on the contrary, we are glad to see the training they have been given put to good use by the other country.

The two fields in which our technical cooperation has been particularly effective are those of health and agriculture. In the former, great progress has been made in eliminating yaws and malaria, in providing pure water and in setting up clinics and public nursing. Scarcely a house you pass in Central America does not have the DDT sign on it to show when it was last sprayed. In these countries it is an old story for the Stars and Stripes to fly beside the national flag as pure water systems are inaugurated in town after town and the women find that they no longer have to carry jugs of contaminated water for long distances. Today the people know that their governments are doing something for them and they know that Uncle Sam is helping.

The story in the agricultural field is much the same. The agricultural services have introduced better seed, plowing, terracing, erosion control (vital in Central America), and irrigation, better fertilizers, better methods generally. At first I listened to these stories skeptically; they were all very fine, but were these services really getting to the small farmer, were they being reflected in the national economy? My skepticism was unwarranted. In El Salvador, for example, the old native rice has been largely supplanted by a new rice developed by the cooperative service which gives an enormously increased yield. In a country as crowded as El Salvador this is vital. In Costa Rica instead of importing corn, sugar, beans, and rice as they used to they now export them—rice to Japan, they proudly told me.

Some of you will doubtless think, well, that is

all very lovely but it must cost us a pretty penny and what do we get out of it?

The total cost to us of all our technical cooperation with 19 American Republics, which includes 650 training grants, will amount this fiscal year to \$22,300,000. If we must regard this from a dollars and cents point of view, I understand that it has been a good investment simply from the increased sales of American tractors, farm machinery, fertilizers, medicines, sanitary supplies, etc., it has stimulated, quite apart from any indirect commercial effects.

But personally I deplore any such argument. It was not the reason we undertook the program and it is to my mind but a minor part of the case for continuing it. The major advantages of the program from our viewpoint are not material. This is pan-Americanism in action. This is a demonstration that we do care for their well-being, that we do value their friendship, that we want them to rise in splendor in the constellation of nations. It shows the ignorant peon that Communist propaganda is clap-trap and that democracy is the path of progress for the great masses of humanity.

At this point let me reiterate my introductory warning: a splendid start has been made in wiping out miseries and raising living standards through our technical cooperation, but it is only a start. An enormous task still lies before us. As we turn over some services to other governments, there are important new fields which can and must be opened. I am not pleading for large increases in appropriations; the very men working in the field say that a large sudden increase in available funds would be disastrous, because the success of their operations has depended on their being small and compact. To my mind the important thing is to give our technical-cooperation program continuity. If we want the friendship of our sister Republics, we must loyally cooperate with them in their development on a continuing basis.

And another point. We are often criticized for recognizing governments that have come to power by violence and remain in power by oppression. I shall not at this time refute these arguments at length; suffice it to say that democracy cannot be imposed by force, but must be built painfully from the ground up; that we have solemnly pledged ourselves not to intervene in the internal affairs of any other American Republic; and that we have found that interventions of one sort and another, however well intentioned, have never produced democracy.

I think that if there is anything we can do to help democratic forces in our sister Republics, our technical cooperation is it. By combating illiteracy, by improving health, by giving even the poorest something more than the bare means of subsistence, by interesting everyone in civic affairs, by awakening pride in national progress, I profoundly believe that it is laying solidly a few

foundation blocks upon which a sound structure of democracy can in due course be built. And we, as eldest sister in the American family of nations, will rejoice if our cooperation helps our sister Republics to attain the brilliant destiny which must surely be theirs.

Monetary Fund Announcements

The International Monetary Fund announced on May 11 the establishment of the initial par value for the Japanese Yen at 360 Yen per U.S. dollar.

The parities for the Yen in terms of gold and in terms of the U.S. dollar of the weight and fineness in effect on July 1, 1944, are as follows:

0.00246853	grams of fine gold per Yen;
12,600.0	Yen per troy ounce of fine gold;
360.000	Yen per U.S. dollar;
0.277778	U.S. cents per Yen.

The International Monetary Fund has concurred in a proposal by the Government of Bolivia to establish a new par value for the boliviano and simplify the Bolivian exchange system. The Fund also announces a purchase of U.S. \$2,500,000 by the Bolivian Government.

The new foreign-exchange measures, which become effective on May 14, were proposed as part of a program directed toward stabilization of the Bolivian economy. The country previously had developed a complicated restrictive system based on simultaneous use of quantitative restrictions on imports and payments, and multiple currency practices. Through this system different treatment was given to various mining and agricultural exports. Essential food imports were maintained at a preferential rate.

The new par value established for Bolivia's currency, previously 60 bolivianos per U.S. dollar, is 190 bolivianos per U.S. dollar. In terms of gold and in terms of the U.S. dollar of the weight and fineness in effect on July 1, 1944, the parities for the boliviano are as follows:

0.00467722	grams of fine gold per boliviano;
6,650.00	bolivianos per troy ounce of fine gold;
190.00	bolivianos per U.S. dollar;
0.526316	U.S. cents per boliviano.

The exchange system will consist of an official and a free market. The official market will be for all trade transactions, government payments, registered capital, and certain specified invisibles. All present exchange taxes, multiple import and export rates, retention quotas, compensation, and divisas proprias arrangements are eliminated. An export tax equivalent to 35 bolivianos per dollar will be levied on the exports of the government-owned mining corporation. Ad valorem taxes of 50 and 100 percent will be levied on less and non-

essential imports. A legal free market for all remaining items will be established, where rates will fluctuate.

The Fund welcomes the substantial simplification of the exchange rate structure and approves the new multiple currency practices proposed by Bolivia. The Fund notes that quantitative restrictions will still be maintained on international payments. It welcomes the efforts being made to move toward monetary stabilization and wishes to emphasize the importance of firm anti-inflationary measures as a basis for further progress towards the achievement of Bolivia's international equilibrium. The Fund will follow developments in the new exchange system and related matters.

Remedial Works for Niagara Falls

Press release 265 dated May 15

The International Joint Commission submitted on May 12, 1953, to the Governments of the United States and Canada its report and recommendations concerning remedial works to preserve and enhance the scenic beauty of Niagara Falls and Niagara River. The report and recommendations were submitted in response to a reference to the Commission by the two Governments on October 10, 1950, in accordance with article II of the treaty with Canada concerning uses of the waters of the Niagara River signed on February 27, 1950 (TIAS 2130; 1 U.S.T. 694).¹

Article II of this treaty provides that the Governments agree to:

... complete in accordance with the objectives envisaged in the final report submitted to the United States and Canada on December 11, 1929, by the special International Niagara Board (S. Doc. 128, 71st Cong., 2d sess.) the remedial works which are necessary to enhance the beauty of the Falls by distributing the waters so as to produce an unbroken crestline on the Falls.

In order to accomplish this result this article of the treaty further provides that the Governments:

... shall request the International Joint Commission to make recommendations as to the nature and design of such remedial works and the allocation of the task of construction as between the United States of America and Canada.

Accordingly on October 10, 1950, a reference was sent by the two Governments to the International Joint Commission requesting it to conduct investigations and make a report containing:

(1) recommendations concerning the nature and design of the works necessary to enhance the beauty of the Falls by distributing the waters so as to produce an unbroken crestline on the Falls in accordance with the report of the special International Niagara Board;

¹ For the Department's announcement of the signing of the treaty, see BULLETIN of Mar. 20, 1950, p. 448.

(2) recommendations concerning the allocation of the task of construction of remedial works as between Canada and the United States, having regard to the recommendations made under paragraph (1);

(3) an estimate of the cost of such remedial works.

The treaty provided also that upon approval by the United States and Canada of such recommendations, the construction of the remedial works should be undertaken under the supervision of the International Joint Commission and completed within 4 years after the date on which the two Governments approved the Commission's recommendations. The total cost of the works is to be divided equally between the two Governments.

Upon receipt of the reference of October 10, 1950, the International Joint Commission established the International Niagara Falls Engineering Board which has conducted extensive studies and has constructed models for testing plans intended to carry out the objectives set forth in the treaty. A comprehensive joint report of the results of these studies and tests was submitted to the Commission at its semiannual meeting in Washington beginning April 7, 1953.

After study of the Board's report the International Joint Commission has submitted its report dated May 5, 1953, reviewing the results of the investigations and making the following recommendations:

1. Recommendations concerning the nature and design of the remedial works necessary to preserve and enhance the scenic beauty of the Niagara Falls and River.

The Commission recommends the construction of the remedial works described in this report and in the Board's report which is attached hereto and made a part hereof, with such minor modifications as the Commission may deem advisable at the time of construction, the works to include:

(a) A Chippawa-Grass Island Pool control structure, extending out from the Canadian shore approximately 1550 feet into the Niagara River, parallel to the existing submerged weir and about 225 feet downstream therefrom;

(b) An excavation in the Horseshoe Cascades lying immediately upstream from the Canadian flank of the Horseshoe Falls and a crest fill on that flank about 100 feet long; and,

(c) An excavation in the Horseshoe Cascades lying immediately upstream from the Goat Island flank of the Horseshoe Falls and a crest fill on that flank about 300 feet long.

2. Recommendations concerning the allocation of the task of construction of the remedial works as between Canada and the United States of America.

The Commission recommends that the task of construction be divided between the two countries in such manner that each country would construct, generally, those portions of the works which lie within its national boundaries. On this basis, Canada would construct the Chippawa-Grass Island Pool control structure and the excavation and crest fill on the Canadian flank of the Horseshoe Falls; and, the United States would construct the excavation and crest fill on the Goat Island flank of the Horseshoe Falls, including the small amount of excavation on the Canadian side of the Boundary.

3. The Commission further recommends that the construction of the proposed remedial works be initiated at the earliest possible moment and be pressed to completion as rapidly as possible. It is especially important that construction of the Chippawa-Grass Island Pool control structure be commenced immediately and that it be constructed to its ultimate length of approximately 1,550 feet unless during the course of construction the status of prospective additional power diversion should permit consideration of a shorter structure initially. The excavation and fill on either flank of the Horseshoe Falls should be started as soon as possible and substantially completed before work is begun on the excavation and fill on the other flank in order to minimize temporary adverse effects on the scenic spectacle during the construction period.

4. The Commission also recommends that the two Governments authorize it to establish a Control Board to supervise the operation of the proposed control structure to insure accomplishment of its intended purposes and to insure that the levels of the Niagara River and Lake Erie will not be adversely affected. These functions, deemed properly within the purview of the Commission, are closely related to the function of determining the amount of water available for the purposes of the Treaty of February 27, 1950. Accordingly, it would seem desirable and in the public interest that the representatives of the United States and Canada to be designated pursuant to Article VII of the Treaty be appointed by the Commission to serve also as members of the Control Board which the Commission desires to establish and hold responsible for the operation of the Chippawa-Grass Island Pool control structure.

With respect to the estimate of the costs of such remedial works, the Commission reported as follows:

Cost Estimates

The construction cost of the remedial works (not including the comparatively small amount of pre-construction costs) is estimated to total \$17,536,000 at July 1952 construction-cost levels.

A breakdown of this estimate is shown below:

Chippawa-Grass Island Pool Control Structure, 1,550 feet long-----	\$14,594,000
Excavation and Fill in the Cascades on the Canadian Flank of the Horseshoe Falls--	1,582,000
Excavation and Fill in the Cascades on the Goat Island Flank of the Horseshoe Falls-----	1,360,000
Total -----	\$17,536,000

Estimated Annual Cost of Operation and Maintenance of the Remedial Works-----	\$100,000
---	-----------

The report and recommendations will be considered by the interested agencies of the two Governments and a decision will be reached regarding the Commission's recommendations.

German Ratification of EDC Treaty, Contractual Conventions

Statement by Acting Secretary Smith

Press release 266 dated May 15

It is heartening to hear from Bonn that the German parliament has completed ratification of the European Defense Treaty and Contractual Conventions. These agreements will permit the

Federal Republic to play an honorable and important role in the family of free nations, including their common defense against aggression. This action by the Bundesrat also constitutes one more basic step toward European integration through the establishment of a European army.

I realize that the constitutionality of these treaties may still be tested before the German Constitutional Court. Nonetheless, I am convinced that the action just completed in Bonn will greatly encourage those forces and individuals throughout free Europe which are devoting themselves to increasing the strength and unity of the free world. We hope most sincerely that the other Parliaments of the developing six-nation community may follow suit and approve the treaties concerned in the near future.

Military Assistance to Ethiopia

Press release 279 dated May 22

Acting Secretary Smith and the Foreign Minister of Ethiopia, Ato Aklilou Abte Wold, on May 22 signed a mutual-defense assistance agreement under the provisions of which the Government of the United States will provide military equipment and training assistance to the Ethiopian Armed Forces. The agreement follows a determination made recently by the President that Ethiopia is eligible for grant aid according to the provisions of the Mutual Security Act of 1951, as amended. In reaching this determination the President took into consideration Ethiopia's strategic location within the general Near East area and the importance of Ethiopia's defensive strength to security in that area and to U.S. security. The federation of Eritrea with Ethiopia last September has given Ethiopia a shoreline on the Red Sea which emphasizes its strategic identification with the Near East area.

This agreement is similar to other agreements concluded with countries already receiving U.S. military aid and provides generally for the terms and conditions under which such aid will be made available. The agreement contains the customary provision for a U.S. Military Assistance Advisory Group, which will be sent to Ethiopia to observe the use made of the aid and perform such other functions, including training, as are required in the assistance program. This program is designed to facilitate, to the extent permitted by its

manpower, resources, facilities, and general economic condition, the full contribution by Ethiopia to the development of its own defensive strength and the defensive strength of the free world.

Ethiopia's resolve to play its part in the collective defense of the free world has been clearly demonstrated by its contribution of combat forces to the U.N. Command in Korea, and the outstanding fighting record of those troops has provided an impressive measure of Ethiopia's military capacity, provided it has modern military equipment.

Release of William N. Oatis From Czechoslovak Prison

At a news conference on May 16 Lincoln White, Deputy Special Assistant for Press Relations, made the following statement on the release of William N. Oatis, Associated Press correspondent in Prague, after 2 years of imprisonment in Czechoslovakia.

Following continuous representations to the Czechoslovak Government since the imprisonment of William Oatis on April 23, 1951, Ambassador George Wadsworth saw Prime Minister Viliam Siroky and Foreign Minister Vaclav David at 6 p. m. at Prague on May 15. The Ambassador was informed by the Prime Minister that in accordance with the Czechoslovak Constitution, the President of Czechoslovakia, Antonin Zapotocky, was pardoning William Oatis on the basis of a petition received from Mrs. Oatis in November 1952. Arrangements for his release and departure from Czechoslovakia were made at this meeting. The release of William Oatis removes one of the obstacles which have so far stood in the way of any improvement in the relations between the United States and Czechoslovakia.

The Department, of course, is greatly pleased by the release of Mr. Oatis from an incarceration which this Government felt from the outset was a gross injustice.¹

¹ For an account of the Oatis trial, including (1) a condensed version of the indictment; (2) text of Czechoslovak espionage laws; and (3) excerpts from the proceedings, based on notes made by the American Embassy observers, see BULLETIN of Aug. 20, 1951, p. 283. Also available as Department of State publication 4357. For Department statements concerning this case, see BULLETIN of July 16, 1951, p. 92; Sept. 10, 1951, p. 416; Sept. 24, 1951, p. 489; and Oct. 20, 1952, p. 625.

INTERNATIONAL ORGANIZATIONS AND CONFERENCES

Calendar of Meetings¹

Adjourned During May 1953

Inter-American Council of Jurists: 2d Meeting	Buenos Aires	Apr. 20-May 9
Fourth Commonwealth Conference on Development of Design & Inspection of Military Clothing and General Stores.	London	Apr. 20-May 9
U.N. (United Nations):		
<i>Ad Hoc</i> Committee on Forced Labor: 4th Session	Geneva	Apr. 23-May 22
Fiscal Commission: 4th Session	New York	Apr. 27-May 8
High Commissioner's Advisory Committee on Refugees: 3d Session .	Geneva	Apr. 27-May 2
Social Commission: 9th Session	New York	May 4-20
<i>Ad Hoc</i> Commission on Prisoners of War: 4th Session	New York	May 11-29
South Pacific Commission: 11th Session	Nouméa	Apr. 25-May 1
FAO (Food and Agriculture Organization):		
Poplar Congress: 5th International and Poplar Commission: 7th Session.	Munster-Munich	Apr. 29-May 8
International Cotton Advisory Committee: 12th Plenary Meeting . .	Washington	May 4-5
UPU (Universal Postal Union): Meeting of Executive & Liaison Committee.	Bern	May 4-15
WHO (World Health Organization): 6th Assembly	Geneva	May 5-22
ICAO (International Civil Aviation Organization): Standing Committee on Aircraft Performance: 4th Session.	Paris	May 6-30*
ILO (International Labor Organization): Permanent Agricultural Committee: 4th Session.	Geneva	May 6-16
Caribbean Commission: 16th Meeting	Paramaribo	May 11-16
International Symposium on Neurosecretion	Naples	May 11-23
International Rubber Study Group: 10th Meeting	Copenhagen	May 11-15
International Cotton Standards Conference	Washington	May 13-15
International Commission for the Northwest Atlantic Fisheries: 3d Meeting.	New Haven	May 25-30
International Seed Testing Association: 10th Congress	Dublin	May 25-30

In Session as of May 31, 1953

International Materials Conference	Washington	Feb. 26 1951-
OEEC (Organization for European Economic Cooperation): Conference on European Inland Transport.	Paris	Mar. 18-
ITU (International Telecommunication Union):		
Administrative Council: 8th Session	Geneva	May 2-
International Telegraph Consultative Committee: 8th Plenary Assembly.	Arnheim	May 26-
U. N. (United Nations): International Conference to Adopt a Protocol on Limitation of the Production of Opium.	New York	May 11-
FAO (Food and Agriculture Organization): Latin American Seminar on Land Problems.	São Paulo	May 25-
WHO (World Health Organization): Executive Board: 12th Session . .	Geneva	May 26-
ILO (International Labor Organization): Governing Body: 122d Session.	Geneva	May 26-
CFM (Council of Foreign Ministers): Deputies for Austria	London	May 27-
UNESCO (United Nations Educational, Scientific and Cultural Organization): International Center for Workers Education.	Compiègne	May 30-
Horticultural Congress and Exposition	Hamburg	May-

Scheduled June 1-August 31, 1953

U. N. (United Nations):		
International Law Commission: 5th Session	Geneva	June 1-
3d Regional Meeting of European Statisticians	Geneva	June 15-
Trusteeship Council: 12th Session	New York	June 16-
Economic and Social Council: 16th Session	Geneva	June 30-
Committee on Non-Governmental Organizations	Geneva	June-
International Sugar Conference	London	July 13-
Technical Assistance Committee, Working Party	Geneva	July 15-
<i>Ad Hoc</i> Committee on Factors	New York	July 21-
Committee on International Criminal Jurisdiction	New York	July 27-
ECAFE Subcommittee on Iron and Steel	Bangkok	Aug. 31-

¹ Prepared in the Division of International Conferences, Department of State, May 22, 1953. Asterisks indicate tentative dates.

Meeting of Directing Council of the American International Institute for the Protection of Childhood.	Montevideo	June 2-
FAO (Food and Agriculture Organization):		
Committee on Commodity Problems: 21st Session	Rome	June 3-
17th Session of the Council	Rome	June 15-
ILO (International Labor Organization):		
Annual Conference: 36th Session	Geneva	June 4-
Meeting of Experts on Systems of Payment by Results in the Construction Industry.	Geneva	July 21-
Ad Hoc Committee on Quarantine Regulations (South Pacific Commission).	Nouméa	June 8-
UNESCO (United Nations Educational, Scientific and Cultural Organization):		
Executive Board: 34th Session	Paris	June 8-
International Conference on the Role and Place of Music in Education.	Brussels	June 29-
Second Extraordinary Session	Paris	July 1-
Eighth Pan American Railway Congress	Washington & Atlantic City.	June 12-
ICAO (International Civil Aviation Organization):		
Assembly: 7th Session	Brighton (England) . .	June 16-
North Atlantic Ocean Weather Stations	Brighton	July 8-
Eighth International Dairy Congress and International Dairy Exposition.	The Hague	June 22-
International Whaling Commission: 5th Annual Meeting	London	June 22-
International Commission for Criminal Investigation: 22d General Assembly.	Oslo	June 24-
20th International Aeronautical Exposition	Paris	June 26-
ICSU (International Council of Scientific Unions):		
Committee on the International Geophysical Year 1957-58	Brussels	June 30-
Executive Board: 5th Meeting	Strasbourg	July 6-
Joint Commission on High Altitude Research Stations	Denver	Aug. 22-
IUPAP (International Union of Pure and Applied Physics): Commission on Cosmic Rays.	Bagnères-de-Bigorre . .	July 5-
16th International Conference on Public Education	Geneva	July 6-
International Wheat Council: 12th Session	London	July 16-
Second International Congress on Rheology	Oxford	July 26-
13th International Congress of Pure and Applied Chemistry	Stockholm	July 29-
17th Conference of the International Union of Pure and Applied Chemistry.	Stockholm	July 29-
WMO (World Meteorological Organization):		
Regional Association for South America	Rio de Janeiro	July-
1st Session of the Regional Association for North and Central America.	Toronto	Aug. 3-
Commission for Aerology: 1st Session	Toronto	Aug. 10-
Commission for Instruments and Methods of Observation: 1st Session.	Toronto	Aug. 10-
Ninth General Assembly of the Inter-American Commission of Women.	Asunción	Aug.-
Fourth International Astronautical Congress	Zürich	Aug. 3-
15th International Veterinary Congress	Stockholm	Aug. 9-
14th International Exhibition of Cinematographic Art	Venice	Aug. 11-
Eighth International Congress on Home Economics	Edinburgh	Aug. 12-
Silent Games (Deaf Mutes), 7th International	Brussels	Aug. 15-
Third International Conference on Soil Mechanics and Foundation Engineering.	Zürich	Aug. 16-
12th Congress of the International Association of Limnology	Cambridge & Windemere.	Aug. 20-
Ninth International Congress of Genetics	Bellagio	Aug. 24-
Eighth International Congress on Rheumatic Diseases	Geneva	Aug. 24-
Fifth International Congress on Tropical Medicine and Malaria	Istanbul	Aug. 28-
International Association for Hydraulic Research	Minneapolis	Aug. 30-
Fourth International Congress of the International Association on Quaternary Research.	Rome & Pisa	Aug. 30-

Eighth Pan American Railway Congress

by William T. Faricy

A noteworthy event in the broadening relationship among American Republics in the industrial and technical field will occur in the United States this June when the Eighth Pan American Railway Congress will be held at Washington, D.C., and Atlantic City, N.J. It will be the first meeting the Pan American Railway Congress Association has held in this country. Previous con-

gresses have been held at Buenos Aires, Rio de Janeiro, Santiago, Bogotá, Montevideo, Habana, and Mexico City.

The objectives of the Association, which was established as a permanent international organization in 1910, include the improvement of railroad facilities and services in the American Republics, reduction of frontier barriers, standardization of equipment, interchange of technical data, and coordination of transport. All 21 American Republics are members of the Association, the headquarters of which is at Buenos Aires; many railroads, institutions, and private individuals

take part in the activities of the organization. U.S. participation was authorized by legislative enactment in 1948 (Public Law 794, 80th Cong.).

It is expected that the Eighth Congress, which is being sponsored by the Government of the United States and the U.S. National Commission in the Pan American Railway Congress Association (PARCA) in collaboration with the Permanent Commission of PARCA, will reflect and emphasize the heightened interest of all the countries of the Americas in applying the most advanced scientific and technical developments to the improvement of transportation by rail.

While members of the Congress are in Atlantic City, the Railway Supply Manufacturers' Association will sponsor an exhibit consisting of more than 20 million dollars' worth of railroad supplies and equipment, the largest show of its kind ever held. Participants in the Congress will be invited to visit these exhibits in Convention Hall and on nearby railroad tracks and see the latest developments that have contributed to the great advances U.S. railroads have made in recent years in the efficiency, economy, safety, and dependability of their operations.

Such improvements include the "push-button" yard, which provides remote control of switches and car speeds for smoother and faster classification of trains in yards; the use of radio, radar, television, and other electronic marvels; centralized traffic control, interlocking automatic block signals and other traffic-expediting systems, and new and improved types of motive power, including the diesel-electric, gas and steam turbine-electric, and the Ignitron, which converts alternating current to direct through the use of rectifier tubes.

Technical papers to be presented at the Congress are expected to cover such facilities and equipment as the foregoing, as well as new operating methods, all designed to increase railroad efficiency in all areas of the Western Hemisphere.

Arrangements for the Congress are being made by an Organizing Committee established in March 1952. This committee, headed by James G. Lyne, president of the Simmons-Boardman Publishing Corporation and editor of *Railway Age*, consists of members of the U.S. National Commission in the PARCA; the presidents of a number of U.S. railroads; officials of several U.S. companies producing railroad equipment and supplies, and government officials concerned with improvement of international transportation facilities.

The Congress will open at Washington on June 12 with the presentation of credentials and registration of the participants. Present estimates are that attendance from the Latin American Republics will exceed 150 delegates and members and that the enrollment from the United States will be about 200.

The Washington portion of the Congress will begin June 13 and end June 20. This period will

consist primarily of meetings of technical sections and plenary sessions for the presentation and discussion of papers on problems of railway construction, rolling stock, operation, administration and public policy. A total of 147 subjects have been suggested for possible treatment, in line with which an estimated 200 papers will be presented. In accordance with past practice, honorary diplomas and monetary prizes will be awarded for the best papers.

In addition to the meetings of technical sections and plenary sessions, roundtable discussions will be held on two subjects of current interest: How the U.S. technical-cooperation program can aid the development of Latin American railroads and international traffic problems.

On June 21, the participants will be taken by special train to Atlantic City. There they will attend the annual meetings of several divisions of the Association of American Railroads. A presentation of awards will be made at the closing session on June 25.

Detailed information on the Congress may be obtained from Loyd J. Kiernan, Executive Secretary, Organizing Committee, Eighth Pan American Railway Congress, Division of International Conferences, Department of State, Washington 25, D.C.

•*Mr. Faricy is chairman of the U.S. National Commission in the Pan American Railway Congress Association.*

U. N. Documents:

A Selected Bibliography¹

Economic and Social Council

Proposed UNICEF Contribution to the International Children's Centre, Paris, For Operations During the Three Year Period 1954-56. E/ICEF/220, Mar. 10, 1953. 14 pp. mimeo.

General Progress Report of the Executive Director [UNICEF]. E/ICEF/221, Mar. 15, 1953. 75 pp. mimeo.

UNICEF Aid to Asia: Statement to UNICEF Executive Board 104th Meeting, 19 March 1953 by S. M. Keeny, Director, Asia Regional Office. E/ICEF/222, Mar. 21, 1953. 9 pp. mimeo.

UNICEF Aid to Latin America: Statement to the UNICEF Executive Board, 104th Meeting, 19 March 1953 by Robert Davee, Director, UNICEF Regional Office for Latin America. E/ICEF/223, Mar. 20, 1953. 7 pp. mimeo.

¹ Printed materials may be secured in the United States from the International Documents Service, Columbia University Press, 2960 Broadway, New York 27, N. Y. Other materials (mimeographed or processed documents) may be consulted at certain designated libraries in the United States.

The United Nations Secretariat has established an Official Records series for the General Assembly, the Security Council, the Economic and Social Council, the Trusteeship Council, and the Atomic Energy Commission which includes summaries of proceedings, resolutions, and reports of the various commissions and committees. Information on securing subscriptions to the series may be obtained from the International Documents Service.

Provisional Agenda for the Fifteenth Session of the Economic and Social Council. Accession of Italy to the Convention on the Declaration of Death of Missing Persons. Memorandum by the Secretary-General. E/2350/Add. 5, Mar. 27, 1953. 3 pp. mimeo.

Consideration of the Provisional Agenda for the Sixteenth Session of the Council. Note by the Secretary-General. E/2352/Rev. 1, Apr. 21, 1953. 7 pp. mimeo.

World Economic Situation; Aspects of Economic Development in Africa. Report by the Secretary-General. E/2377, Mar. 20, 1953. 171 pp. mimeo.

Restrictive Business Practices. Analysis of Governmental Measures Relating to Restrictive Business Practices. E/2379, E/AC.37/2, Mar. 30, 1953. 122 pp. mimeo; E/2379/Add.1, E/AC.37/2/Add.1, Apr. 2, 1953. 48 pp. mimeo.

Report of the Ad Hoc Committee on Restrictive Business Practices to the Economic and Social Council. E/2380, E/AC.37/3, Mar. 30, 1953. 60 pp. mimeo.

Report of the Transport and Communications Commission (Sixth Session). Draft Protocol on a Uniform System of Road Signs and Signals. Note by the Secretary-General. E/2387, Mar. 31, 1953. 4 pp. mimeo; Report of the Economic Committee. E/2402, Apr. 14, 1953. 10 pp. mimeo.

Report of the Population Commission (Seventh Session). Report of the Social Committee. E/2392, Apr. 9, 1953. 4 pp. mimeo.

Expanded Programme of Technical Assistance. Report of the Technical Assistance Committee. E/2394, Apr. 13, 1953. 8 pp. mimeo; (Local Costs To Be Borne by Governments), E/2395, Apr. 13, 1953. 20 pp. mimeo.

Admission of Representatives of Non-Governmental Organizations Enjoying Consultative Status. Memorandum by the Legal Department. E/2397, Apr. 10, 1953. 4 pp. mimeo.

Consideration of the Provisional Agenda for the Sixteenth Session of the Council. Report requested under Council resolution 426 B (XIV) on "Measures designed to reconcile the attainment and maintenance of full employment with the avoidance of the harmful effects of inflation." Note by the Secretary-General. E/2404, Apr. 16, 1953. 6 pp. mimeo.

Commission on Narcotic Drugs. Agenda. Note by the Secretary-General. E/CN.7/248/Add.1/Rev.2, Mar. 30, 1953. 4 pp. mimeo.

UNICEF Aid to Africa. Statement to UNICEF Executive Board, 104th Meeting, 19 March 1953 by Dr. Charles A. Egger, Director, UNICEF Regional Office for Africa, Eastern Mediterranean Area & Europe. E/ICEF/224, Mar. 24, 1953. 7 pp. mimeo.

UNICEF Aid to the Eastern Mediterranean Area: Statement to the UNICEF Executive Board on 20 March 1953 by Charles Egger. E/ICEF/225, Mar. 25, 1953. 11 pp. mimeo.

Provisional List of Representatives to the Fifteenth Session of the Economic and Social Council. E/INF/55, Mar. 30, 1953. 30 pp. mimeo.

General Assembly

Report of the Secretary-General on Personnel Policy. Note by the Secretary-General. A/2376, Mar. 27, 1953. 3 pp. mimeo.

Complaint of Non-Compliance of States Still Detaining Members of the Greek Armed Forces With the Provisions of Resolution 382 A (V), Adopted by the General Assembly on 1 December 1950, Recommending "The Repatriation of All Those Among Them Who Express the Wish To Be Repatriated." Report of the President. A/2388, Apr. 21, 1953. 4 pp. mimeo.

Question of Impartial Investigation of Charges of Use by United Nations Forces of Bacteriological Warfare. Note dated 27 March 1953 from the representative of the United States transmitting statements by certain

members of the United States armed forces. A/C.1/L.37, Mar. 27, 1953. 15 pp. mimeo.

Peace Observation Commission. Balkans Sub-Commission. Fifth Periodic Report of the United Nations Military Observers in Greece. Letter dated 8 April 1953 from the Principal Military Observer submitting report covering the period from 6 January 1953-5 April 1953. A/CN.7/SC.1/41, Apr. 14, 1953. 25 pp. mimeo.

Trusteeship Council

United Nations Visiting Mission to Trust Territories in West Africa, 1952. Report on Togoland Under United Kingdom Administration. T/1040, Mar. 16, 1953. 102 pp. mimeo; Report on the Cameroons Under United Kingdom Administration. T/1042, Mar. 16, 1953. 91 pp. mimeo; Report on the Cameroons Under French Administration. T/1043, Mar. 16, 1953. 93 pp. mimeo.

THE DEPARTMENT

Department To Sponsor Conference on U.S. Foreign Policy

Press release 281 dated May 22

Representatives of approximately 200 national organizations have been invited by Secretary Dulles to attend a conference on U.S. foreign policy at the Department on June 4 and 5, 1953.

The meetings will be informal in character and are designed to give leaders of national nongovernmental organizations an opportunity to exchange views with top officials of the Department.

The conference program includes informal statements by Secretary Dulles; Carl W. McCaule, Assistant Secretary for Public Affairs; Livingston Merchant, Assistant Secretary for European Affairs; Walter S. Robertson, Assistant Secretary for Far Eastern Affairs; Henry A. Byroade, Assistant Secretary for Near Eastern, South Asian, and African Affairs; Robert L. Johnson, Administrator, International Information Administration; Stanley Andrews, Administrator, Technical Cooperation Administration; John M. Cabot, Assistant Secretary for Inter-American Affairs; Harold E. Stassen, Director for Mutual Security; and Ambassador Henry Cabot Lodge, Jr., U.S. Representative to the United Nations. Joseph B. Phillips, Deputy Assistant Secretary for Public Affairs, will deliver the closing address June 5. Names of other speakers representing major areas of the Department will be announced later.

Other Department officials will participate in a series of panel discussions with organization representatives on the morning of June 5.

A luncheon meeting will be held in the National Press Club ballroom on June 4, at which time the

speaker will be Senator Alexander Wiley, Chairman of the Senate Foreign Relations Committee.

Those attending the conference represent organizations and associations from various sections of the country which have a continuing interest in international affairs. Among the groups which have designated representatives for the meeting are farm, labor, business, women's, religious, veterans', men's service and educational and professional organizations.

Resignation

Harold F. Linder as Assistant Secretary for Economic Affairs, effective May 15, 1953.

Designations

John C. Dreier, U.S. representative on the Council of the Organization of American States, has been designated as coordinator of preparations for the Tenth Inter-American Conference, which is scheduled to take place at Caracas in March 1954. In this capacity he will be directly responsible to the Assistant Secretary for Inter-American Affairs.

The acting U.S. representative on the Inter-American Economic and Social Council, Julian C. Greenup, will serve as deputy coordinator, with responsibility for coordinating the preparations in the economic field.

Richard S. Wheeler, Associate Chief of the Division of International Conferences, will serve as deputy coordinator, with responsibility for coordinating the organizational and administrative aspects of this Government's participation in the Conference.

The coordinator and the deputy coordinators will serve in this capacity in addition to their regular duties.

Information Relating to the IIA

Press Reports Denied

In reference to press reports concerning his resignation, Robert L. Johnson, Administrator of the International Information Administration, said on May 19 (press release 274) that the stories concerning his resignation are completely erroneous, and added that he has high hopes of shaping the overseas information program into an effective weapon to win the cold war.

Mr. Johnson said there is no basis for the press reports that he is disgusted over the extent to which operations of the Voice of America's radio programs were being cut back. The Administrator pointed out that he took the initiative and directed a series of cutbacks to comply with the Bureau of the Budget's economy directive, of which he approves. He added:

"The actions I have taken within the last 6 weeks will reduce costs and increase the efficiency of our operation. The moves I have made are a contraction to establish the essentials of a revitalized, flexible, and hard-hitting program designed to achieve maximum effectiveness."

He added that he is considering other consolidation moves which will reduce operating costs without jeopardizing the effectiveness of the program.

Closing of New York IPS Office

Robert L. Johnson, Administrator of the International Information Administration, announced on May 18 (press release 272) the closing of the New York Office of the International Press Service, effective June 30, as a means of reducing operating expenses.

The International Press Service is one of five media services, and operates the press, publications, and photographic programs of the State Department's International Information Administration. In addition to photo and news coverage, the 15 persons working in the New York Office of Ips, 250 West 57th Street, provide photo and article research and procurement and printing coordination, as well as assistance to foreign journalists in the United States.

As a result of this move, Mr. Johnson said, the domestic functions of the International Press Service will be centralized in Washington. The Administrator added that New York coverage of important events such as U.N. meetings will not be eliminated. Such assignments, as required, will be accomplished by Washington personnel.

Administrative Operations Consolidated

Robert L. Johnson, Administrator of the International Information Administration, announced on May 18 (press release 270) that the functions of the New York Administrative Office (NAO) of the IIA will be combined with the Office of Comptroller of the International Broadcasting Service as a means of lowering costs and improving efficiency.

Frank L. Seymour who since November 1952 has been chief of the New York Administrative Office handling auditing, procurement, contracting, warehousing, and general services for all of IIA in New York, will take over on May 18 as acting comptroller of the International Broadcasting Service and will direct the consolidation of these two administrative operations. The position of comptroller of the International Broadcasting Service had previously been held by Robert J. Francis, who is at present serving as acting director of the Voice of America.

Denial of Press Statement on Film Directors

The Department of State on May 13 (press release 262) denied statements appearing in that day's press that any film directors had been chosen by the Department to work on film projects for the International Information Administration (IIA). There is no foundation to press statements that 28 Hollywood directors had been drafted into service to guide the making of a series of 2-, 3-, and 4-reel films on behalf of IIA.

Robert L. Johnson, Administrator, International Information Administration, in referring to the misstatements appearing in the press, called attention to the fact that last month he had announced that Cecil B. DeMille had consented to serve as chief consultant on matters relating to IIA Motion Picture Service.¹ With the assistance of Mr. DeMille, it is expected that the active cooperation of the entire motion-picture industry will be enlisted in behalf of the State Department's program.

Nomination of Michael J. McDermott

Press release 278 dated May 21

The President on May 21 sent to the Senate the nomination of Michael J. McDermott of Massachusetts to be Ambassador to El Salvador.

Mr. McDermott will bring to his new assignment a rich experience of 36 years in international affairs. He has served continuously as chief press officer of the Department of State since 1927, has served on various policy committees within the Department of State and has attended virtually every major international conference in which the

¹ BULLETIN of Apr. 27, 1953, p. 635.

United States has participated since entering the Department in 1920.

His service in the best interests of his country has made "Mike" McDermott known to and respected by correspondent and diplomat alike throughout the world. In recognition of this service Mr. McDermott was awarded the Superior Service Award by the Department of State in 1950.

In 1917 Mr. McDermott came to Washington to the Office of the Provost Marshal General, where he assisted in the preparations for the conduct of the first draft. He was then assigned to the White House in September 1917. He joined the Army in December 1917, and was commissioned a warrant officer by the Secretary of War. He was then immediately assigned to overseas duty as confidential clerk to Gen. Tasker Bliss in the American Section of the Supreme War Council at Versailles and on the American Commission to Negotiate Peace. He served under General Bliss until May 1920 when he was honorably discharged.

Mr. McDermott then accompanied Elihu Root to The Hague. Mr. Root was then a member of the Commission of Jurists to formulate the project for an International Court of Justice. He remained with Mr. Root until August 1920 when he came to the Department of State at Washington.

Mr. McDermott's first assignment in the Department of State was that of special assistant. In June 1923 he was assigned as private secretary to Under Secretary of State William Phillips.

In 1923 Mr. McDermott was loaned by Secretary Charles Evans Hughes to the White House to accompany President Warren G. Harding on his trip to Alaska as a combination secretary and press officer. It fell to his lot to announce the tragic news of the President's death August 2, 1923, at the Palace Hotel in San Francisco. . . .

In April 1924 Mr. McDermott became Assistant Chief of the Division of Current Information. Three years later he became Chief of the Division. In January 1944 he became special assistant to the Secretary of State for Press Relations and has served in that capacity under six Secretaries of State.

While serving with Mr. Root and during his early days in the Department, Mr. McDermott was attracted to law. He attended night school at the National University, receiving his LL.B. in 1926 and his LL.M. and M.P.L. in 1927.

Mr. McDermott has been a member of the Department of State Publications Committee since 1929. He was the representative of Secretaries Hull and Stettinius on the Committee on War Information Policies from 1942 to 1946. He was a member of the Committee on Political Planning in 1942 and 1943. During 1944 he also served as member on the Department of State Policy Committee and the Committee on Postwar Programs.

Mr. McDermott has been assigned to eight Latin

American conferences: as special assistant on the U.S. delegation to the 6th International Conference of American States at Habana in 1928; as press officer for the American delegations to the 8th International Conference of the American States at Lima, in 1938; at the Second Meeting of the Ministers of Foreign Affairs of the American Republics at Habana in 1940; at the Inter-American Conference on Problems of War and Peace at Mexico City in 1945; at the Rio conference in 1947; and at the Bogotá conference in 1948. He also served as press relations officer at the Conference of American States on Conciliation and Arbitration in Washington in 1928-29, and public relations director for the 8th American Scientific Conference at Washington in 1940.

Mr. McDermott participated in the early efforts to avert World War II, serving on the Mission for Signature of a Pact for the Renunciation of War at Paris in 1928, and as press officer for the American delegation at the London Naval Conference of 1930.

During World War II he also served in international efforts to lay a foundation for lasting peace once the horrors of that war were ended. He served as chief press relations officer at the three major conferences looking to that end: the U.N. Conference on Food and Agriculture at Hot Springs, Va., in 1943; at the U.N. Monetary and Financial Conference at Bretton Woods, N. H., in 1944; and at the U.N. Conference on International Organization which wrote the Charter of the United Nations at San Francisco in 1945. He also served as press officer for the U.S. group at the Dumbarton Oaks Conversations on International Organization held in Washington in 1944. . . . He served as press officer for the U.S. delegation to the First Session of the General Assembly at London in 1946.

Mr. McDermott accompanied Secretary of State Cordell Hull to Moscow in 1943 at a conference which pledged the restoration of Austrian independence. He also witnessed the early hopes for and later disillusionment of the Council of Foreign Ministers, acting as press officer for the U.S. delegations to the Paris (1946), New York (1946), Moscow (1947), London (1947), and Paris (1949) Council of Foreign Ministers Meetings. He also served as press officer for the U.S. delegation to the Paris Peace Conference of 1946 which wrote the treaties of peace with Finland, Hungary, Rumania, Bulgaria, and Italy.

Mr. McDermott saw the dream of the North Atlantic community grow to reality and has participated in most of its subsequent meetings. He acted as chief press relations officer for the signing of the North Atlantic Treaty Organization at Washington in 1949. He has served as press officer for the U.S. delegations to the New York (1950), Rome (1951), and Paris (1952) meetings of the Council of NATO.

THE FOREIGN SERVICE

Consular Offices

The consulate at Bergen, Norway, is being closed on May 31. The Bergen consular district will be absorbed into the Oslo district.

The consulate at Adelaide, South Australia, is being closed to the public as of May 30 and will officially close on June 15, 1953. The Adelaide consular district is being incorporated into the Melbourne district.

Frederick L. Anderson Resigns as U.S. Deputy Special Representative

On May 22, 1953, President Eisenhower accepted the resignation of Frederick L. Anderson as U.S. deputy special representative in Europe, effective September 1. For text of Mr. Anderson's letter of resignation and the President's reply, see White House press release of May 22.

PUBLICATIONS

1935 Documents on U.S. Policy in Near East, Africa Released

Press release 223 dated April 29

Foreign Relations of the United States, 1935, Volume I, General; The Near East and Africa, released on May 9 by the Department of State, presents extensive documentation on the diplomacy of a year marked by deteriorating international relations and futile efforts to check the drift toward World War II. The record explains the increasing threat of a rapidly rearming Nazi Germany, Fascist Italy's aggression against Ethiopia, and the confusion and lack of cooperation among other European powers. Meantime, the United States sought to avoid involvement in European or Near East problems, adopted new principles of strict neutrality designed to keep the United States out of any war, and endeavored, by use of its moral influence, to preserve peace and uphold international obligations. Unfortunately, the dictatorships were not sufficiently responsive to moral influence.

The records of the Conference for the Reduction and Limitation of Armaments and the London Naval Conference reveal frustration and futility. Reasons for this appear in the reports on these conferences and in analyses by American diplomatic missions of political events in Europe. Encouraged by her victory in regaining the Saar, Nazi Germany repudiated the restrictive provisions of the Treaty of Versailles and began openly to rearm. Reports from American missions make

clear the seriousness with which the danger was viewed in diplomatic circles and also indicate the lack of any effective policies to meet the situation.

The desire of the United States to remain aloof from involvement in war is well set forth in a reply to a dispatch of March 28, 1935, from Ambassador Robert P. Skinner at Ankara (pp. 209-211), describing the danger of war and urging that the President appeal to all European powers to renounce for 25 years any possible claim to additional territories. Under Secretary of State William Phillips wrote on May 9, 1935 (pp. 272-273), that this Government had consistently refused to take part in the controversy between the "status quo States" and the "revisionist States," that sponsoring such a proposal would give rise to a claim that the United States had impliedly promised assistance in case of its violation. Further, it was doubted that the revisionist States would adhere to a 25-year guarantee and it was felt that therefore the proposal would be doomed to failure and might aggravate still further the situation.

A somewhat more positive policy was followed with respect to the Far East. At a White House conference on November 19, 1935, regarding naval discussions (pp. 144-149), President Roosevelt approved a Department of State draft formula on political cooperation with Great Britain. It declared that any agreement on cooperation was out of the question, but that the delegation to the London Naval Conference might "emphasize the inevitable and growing community of interests of the British Empire and the United States throughout the world, and particularly the Far East," and that the United States and the British Empire were "likely, in their own interests and in the interests of the community of nations, to follow, in general a parallel, though independent policy, notably in the Far East." (p. 146.)

Documents on the activities of the Nye Committee investigating the munitions industry and on the rejection by the Senate of a resolution for the adherence by the United States to the Permanent Court of International Justice help explain the caution of the administration in its international relations.

A good deal of interest centers on the Ethiopian-Italian conflict—the efforts by the League of Nations and by France and the United Kingdom to bring about a peaceful settlement; the invasion; and efforts to end hostilities; and American actions in the interest of peace and for the protection of American life and property.

As in regard to European problems, the United States pursued an independent policy. It did not take part in League of Nations efforts, but made separate appeals for a peaceful settlement. When the invasion came the U.S. Government took no part directly in the application of sanctions against Italy, though it adopted neutrality measures which redounded to the benefit of Ethiopia.

Other sections on the Near East and Africa in-

involve relations with Afghanistan, Egypt, Iran, Liberia, Morocco, and Turkey. Some concern was expressed regarding Soviet ambitions as to the Straits. Turkey desired modification of agreements in order to make possible better defense.

Volume II of the *Foreign Relations* series for 1935, dealing with the British Commonwealth and Europe has been published.¹ The remaining two volumes for the year, Volume III, *The Far East*, and Volume IV, *The American Republics*, will be published at an early date.

This volume was compiled in the Division of Historical Policy Research. Statements in the preface give the rules under which *Foreign Relations* is compiled and a list of the staff which compiled the 1935 volumes. Copies (xv, 1,074 pp.) may be purchased from the Superintendent of Documents, Government Printing Office, Washington 25, D. C., for \$4.25 each.

Documents on German Foreign Policy

Press release 240 dated May 4

The contemporary tragedy of the smaller states of Eastern Europe which began with their subjection to Nazi domination, is the main theme of the volume of captured German diplomatic documents released on May 16 by the Department of State. The new volume, the fifth in the series of *Documents on German Foreign Policy 1918-1945*, Series D (1937-45), Vol. V, being published cooperatively by the American, British, and French Governments, bears the subtitle: *Poland, the Balkans, Latin America, the Smaller Powers*, and gives an account of the growing Nazi political and economic pressure on these states from 1937 until March 1939.

The largest single group of documents in the volume deals with Polish-German relations and with the futile attempt of the Poles to play a lone hand between Germany on the one side and Russia on the other.

Although Hitler pretended for a long time to honor the Polish-German Non-Aggression Pact of 1934, and even signed a new declaration on mutual respect for the rights of minorities in November 1937, these attitudes were revealed to have been designed to lull the Poles while he pursued German designs upon Austria and Czechoslovakia.

Within a few weeks after the surrender of Czechoslovakia at Munich on September 29, 1938, the Poles were presented with the German demands for the return of Danzig and the Polish Corridor. The full record on the continuing German demands is now published for the first time.

¹ BULLETIN of July 28, 1952, p. 162.

There are also revealing documents on the full control of the Free City of Danzig exercised from Berlin despite the city's nominal independence and the presence of the League of Nations Commissioner there.

A somewhat parallel situation is uncovered in the Memel Territory, held by Lithuania under the Versailles treaty, and the documents now published show the way in which pressure was brought to bear on the Lithuanians in March 1939 to compel them to cede the territory back to Germany.

In Hungary, Rumania, Bulgaria, and Yugoslavia it was the weakness of their economies and their dependence on favorable trade agreements which the Germans, with their politically directed and totalitarian economy, exploited to bring these states into the German orbit. The threat which the active German minorities controlled from Berlin constituted to the internal security of these states was also effectively employed.

In the Scandinavian states and in the smaller states of Western Europe the principal concern of German policy is shown to have been to cut these states away from their ties to the League of Nations collective-security system, and to insure that in the event of war they would stand in isolated neutrality.

At the other end of Europe the Germans were engaged in an attempt to revive their relations with Turkey, which had been their ally in World War I. They pressed for a revision in their favor of the Montreux Convention which governed the status of the Dardanelles and made every effort to promote economic relations. The hardheaded Turkish diplomacy, while recognizing the value of German trade, followed a cautious course politically and irritated German Foreign Minister Ribbentrop by its concern not to antagonize either Russia or the Western Powers.

At the same time the Germans were busy with efforts to undermine the British position in the Near East where they sought to combine diplomatic intrigue with trade in arms. In this area the problem of Jewish Palestine brought a serious split within the German Government between the Nazi Party fanatics who wished to oppose at all costs the growth of a Jewish state and those who saw economic advantages in encouraging Jewish emigration there.

In this period the Germans established closer contacts with Arab nationalism, and the Grand Mufti entered into Germany's political calculations.

The extent of German interests in the Middle East is also illustrated by negotiations with Ibn Saud resulting in the establishment of a German mission in Saudi Arabia.

The repeated and futile efforts of the Western Powers to get Germany to cooperate in international plans to assist refugees, promoted especially by President Roosevelt and the American-led Rublee committee, are also detailed.

Documents are published on the operations of German policy in Latin America where the somewhat crude attempts to make use of the local German communities led to sharp conflicts with several governments. A striking episode is that centering on the alleged Nazi complicity in the revolt against the Vargas Government in May 1938, and the Brazilian decision that the German Ambassador, Karl Ritter, must leave the country.

The Nazis once enjoyed a reputation for being masters of psychological and political warfare, and the captured documents provide a unique opportunity for the examination of the inner machinery of a system profoundly antagonistic to our own and operating all over the world.

The research on this volume has been directed by the following editors-in-chief: For the United States, Bernadotte E. Schmitt; for the United Kingdom, Margaret Lambert; for France, Maurice Baumont. Copies may be purchased from the Superintendent of Documents, Government Printing Office, Washington 25, D.C., for \$3.25.

Recent Releases

Double Taxation, Taxes on Income. Treaties and Other International Acts Series 2596. Pub. 4898. 30 pp. 10¢.

Convention between the United States and Finland—Signed at Washington Mar. 3, 1952.

Letter From a Woman of East Germany. European and British Commonwealth Series 40. Pub. 4918. 4 pp. 5¢.

This letter tells what our efforts to penetrate the Iron Curtain by radio have come to mean to hundreds of thousands living under Soviet domination.

Naval Mission to Peru, Renewing Agreement of July 31, 1940, as Extended. Treaties and Other International Acts Series 2504. Pub. 4772. 2 pp. 5¢.

Exchange of notes between the United States and Peru—Signed at Washington Jan. 18 and Mar. 24, 1952.

Economic Assistance, Relief and Resettlement of Refugees, Extension of Projects. Treaties and Other International Acts Series 2497. Pub. 4774. 3 pp. 5¢.

Exchange of notes between the United States and Israel—Signed at Tel Aviv Feb. 27, 1952.

Mutual Defense Assistance, Transfer of United States Naval Vessels to Argentina. Treaties and Other International Acts Series 2442. Pub. 4784. 4 pp. 5¢.

Exchange of notes between the United States and Argentina—Signed at Washington Jan. 4 and 8, 1951.

Mutual Defense Assistance, Transfer of United States Naval Vessels to Brazil. Treaties and Other International Acts Series 2443. Pub. 4785. 3 pp. 5¢.

Exchange of notes between the United States and Brazil—Signed at Washington Jan. 4, 1951.

Mutual Defense Assistance, Transfer of United States Naval Vessels to Chile. Treaties and Other International Acts Series 2444. Pub. 4786. 4 pp. 5¢.

Exchange of notes between the United States and Chile—Signed at Washington Jan. 4, 1951.

United States Educational Commission in the Federal Republic of Germany. Treaties and Other International Acts Series 2553. Pub. 4809. 21 pp. 10¢.

Agreement between the United States and the Federal Republic of Germany—Signed at Bonn July 18, 1952.

United States Educational Foundation in the Union of South Africa. Treaties and Other International Acts Series 2554. Pub. 4810. 12 pp. 10¢.

Agreement between the United States and the Union of South Africa—Signed at Cape Town Mar. 26, 1952.

United States Educational Foundation in Finland. Treaties and Other International Acts Series 2555. Pub. 4811. 13 pp. 10¢.

Agreement between the United States and Finland—Signed at Helsinki July 2, 1952.

Air Transport Services—Kimpo Airport. Treaties and Other International Acts Series 2432. Pub. 4827. 20 pp. 10¢.

Agreement between the United States and Korea—Signed at Seoul Jan. 14, 1950 and letter signed at Seoul Apr. 3, 1950.

Radio Communications Between Amateur Stations on Behalf of Third Parties. Treaties and Other International Acts Series 2433. Pub. 4828. 3 pp. 5¢.

Exchange of notes between the United States and Ecuador—Signed at Quito Mar. 16 and 17, 1950.

Point 4 Profiles. Economic Cooperation Series 38. Pub. 4859. 38pp. 15¢.

This booklet tells the stories of four who came to the United States from Iran, Ecuador, India, and Chile in search of knowledge and skill, and of some Americans who worked closely with them both here and abroad.

Point 4 and Liberia, Partners in Progress. Economic Cooperation Series 40. Pub. 4899. 12pp. Limited distribution.

This booklet presents a picture of the program for and the progress in technical cooperation with Liberia.

United States Efforts Toward Disarmament. International Organization and Conference Series III, 89. Pub. 4902. 42pp. 20¢.

Report to the President by the Deputy U. S. Representative on the United Nations Disarmament Commission dated January 12, 1953.

Military Assistance to Latin America. A background summary. Inter-American Series 44. Pub. 4917. 8pp., map. 5¢.

This pamphlet provides the answers to many questions relating to cooperative military assistance arrangements in the Western Hemisphere.

International Information Administration. International Information and Cultural Series 32. Pub. 4939. 32pp., charts. 25¢.

The "psychological activities" of the U.S. Government in the Cold War, covering the period ending June 30, 1952, are covered in this pamphlet.

Mutual Defense Assistance. Treaties and Other International Acts Series 2496. Pub. 4732. 13pp. 10¢.

Exchange of notes between the United States and Colombia—Signed at Bogotá Apr. 17, 1952.

Economic and Technical Cooperation. Treaties and Other International Acts Series 2498. Pub. 4830. 8pp. 10¢.

Agreement between the United States and the Philippines—Signed at Manila Apr. 27, 1951.

Public Roads Program in the Philippines, Amending Agreement of Feb. 14, 1947. Treaties and Other International Acts Series 2499. Pub. 4831. 5pp. 5¢.

Exchange of notes between the United States and the Philippines—Signed at Manila Dec. 16 and 21, 1949, and July 6 and 17, 1951.

Technical Cooperation, Jordan Program. Treaties and Other International Acts Series 2505. Pub. 4765. 20pp. 10¢.

Agreement between the United States and Jordan—Signed at Amman Feb. 12, 1952.

Technical Cooperation, Agricultural Program. Treaties and Other International Acts Series 2513. Pub. 4723. 5pp. 5¢.

Exchange of notes between the United States and the Dominican Republic—Signed at Ciudad Trujillo Jan. 7 and 22, 1952.

Technical Cooperation, Cooperative Program of Agriculture and Livestock, Additional Financial Contributions. Treaties and Other International Acts Series 2514. Pub. 4737. 4pp. 5¢.

Exchange of notes between the United States and Chile—Signed at Santiago Jan. 30 and Feb. 5, 1952.

Education, Cooperative Program in Peru, Additional Financial Contributions. Treaties and Other International Acts Series 2515. Pub. 4738. 4pp. 5¢.

Exchange of notes between the United States and Peru—Signed at Lima Jan. 17 and Feb. 15, 1952.

Economic Cooperation, Guaranties Under Public Law 472, 80th Congress, as Amended. Treaties and Other International Acts Series 2516. Pub. 4748. 4pp. 5¢.

Exchange of notes between the United States and Austria—Signed at Washington Feb. 14 and 16, 1952.

Aviation, Military Air Transit Rights. Treaties and Other International Acts Series 2518. Pub. 4750. 6pp. 5¢.

Exchange of notes between the United States and Costa Rica—Signed at San José Feb. 19 and 25, 1952.

Health and Sanitation, Cooperative Program in Honduras, Additional Financial Contributions. Treaties and Other International Acts Series 2519. Pub. 4752. 4pp. 5¢.

Exchange of notes between the United States and Honduras—Signed at Tegucigalpa Jan. 9 and Feb. 14, 1952.

Radio Communications Between Amateur Stations on Behalf of Third Parties. Treaties and Other International Acts Series 2520. Pub. 4755. 4pp. 5¢.

Exchange of notes between the United States and Cuba—Dated at Habana Sept. 17, 1951 and Feb. 27, 1952.

Fur Seals, Research Programs in the North Pacific Ocean. Treaties and Other International Acts Series 2521. Pub. 4758. 9pp. 10¢.

Exchange of notes between the United States, Canada, and Japan—Signed at Tokyo Jan. 31 and Feb. 8, 1952, and at Ottawa Feb. 7 and Mar. 1, 1952.

Health and Sanitation, Cooperative Program in Venezuela, Amending Agreement of Mar. 6 and 15, 1951. Treaties and Other International Acts Series 2522. Pub. 4761. 3pp. 5¢.

Exchange of notes between the United States and Venezuela—Signed at Caracas Feb. 14 and Mar. 6, 1952.

Technical Cooperation. Treaties and Other International Acts Series 2524. Pub. 4768. 9pp. 10¢.

Agreement between the United States and Libya—Signed at Tripoli Jan. 21, 1952.

Regulation of Production and Marketing of Sugar, Protocol Prolonging the International Agreement of May 6, 1937. Treaties and Other International Acts Series 2525. Pub. 4724. 6pp. 5¢.

Agreement between the United States and Other Governments—Signed at London Aug. 31, 1950.

Technical Cooperation. Treaties and Other International Acts Series 2527. Pub. 4713. 12pp. 10¢.

Agreement between the United States and El Salvador—Signed at San Salvador Apr. 4, 1952.

Passport Visas. Treaties and Other International Acts Series 2528. Pub. 4734. 5pp. 5¢.

Exchange of notes between the United States and Monaco—Signed at Monaco and Nice Mar. 31, 1952.

Participation of Netherlands Forces in United Nations Operations in Korea. Treaties and Other International Acts Series 2534. Pub. 4776. 3pp. 5¢.

Agreement between the United States and the Netherlands—Signed at Washington May 15, 1952.

Participation of South African Forces in United Nations Operations in Korea. Treaties and Other International Acts Series 2535. Pub. 4777. 3pp. 5¢.

Agreement between the United States and the Union of South Africa—Signed at Washington June 24, 1952.

Check List of Department of State Press Releases: May 18-22, 1953

Releases may be obtained from the Office of the Special Assistant for Press Relations, Department of State, Washington 25, D.C.

Press releases issued prior to May 18 which appear in this issue of the BULLETIN are Nos. 223 of Apr. 29, 239 of May 4, 240 of May 4, 260 of May 14, 262 of May 13, 265 of May 15, and 266 of May 15.

No.	Date	Subject
270	5/18	IIA functions combined
†271	5/18	Foreign Relations volume
272	5/18	N.Y. office of Ips closed
273	5/19	Morton: Accounting to taxpayers
274	5/19	Johnson: Press reports
†275	5/20	Merchant: St. Lawrence Seaway
†276	5/20	Smith: Palestine refugee program
*277	5/21	Smith: Admission of migrants
278	5/21	McDermott: Ambassador to El Salvador
279	5/22	Military assistance to Ethiopia
†280	5/22	Johnson: Faith of free men
281	5/22	Conference on foreign policy
282	5/22	Dulles: All-India radio broadcast

*Not printed.

†Held for a later issue of the BULLETIN.

Africa		
ETHIOPIA: Military assistance to	785	
American Principles		
An expression of friendship for the people of India (Dulles)	779	
Costs of survival in a dangerous world (Morton)	769	
U.S. objectives in Western Europe (Knight)	773	
Value of technical cooperation in Latin America (Cabot)	780	
American Republics		
BOLIVIA: Monetary Fund announcements	783	
Eighth Pan American Railway Congress	787	
EL SALVADOR: Nomination of Michael J. McDermott	790	
Value of technical cooperation in Latin America (Cabot)	780	
Asia		
INDIA: An expression of friendship for the people of India (Dulles)	779	
JAPAN: Monetary Fund announcements	783	
Australia		
Consular office at Adelaide	792	
Canada		
Remedial works for Niagara Falls	783	
Communism		
The continuing need for vigilance against Soviet aggression (Conant)	767	
Europe		
CZECHOSLOVAKIA: Release of William N. Oatis from prison	785	
GERMANY:		
Continuing need for vigilance against Soviet aggression (Conant)	767	
Documents on German foreign policy	793	
Ratification of Epc treaty, contractual conventions	784	
NETHERLANDS: MSA allotment for productivity agreement	777	
NORWAY: Consular office at Bergen	792	
Three-Power meeting to be held	778	
European Defense Community		
German ratification of Epc treaty, contractual conventions	784	
U.S. objectives in Western Europe (Knight)	773	
Finance		
Monetary Fund announcements	783	
Foreign Service		
Consular offices	792	
Frederick L. Anderson resigns as U.S. deputy special representative	792	
Nomination of Michael J. McDermott	790	
Iceland		
Suspension of Msa aid	778	
International Information		
Release of William N. Oatis from Czechoslovak prison	785	
International Information Administration		
Information relating to the Iia	790	
International Meetings		
Calendar of Meetings	786	
Designations of Dreier, Greenup, and Wheeler	790	
Three-Power meeting to be held	778	
Mutual Security		
MSA allotment to Netherlands for productivity agreement	777	
Suspension of Msa aid to Iceland	778	
U.S. objectives in Western Europe (Knight)	773	
Presidential Documents		
Three-Power meeting to be held	778	
Publications		
1935 documents on U.S. policy in Near East, Africa released	792	
Documents on German foreign policy	793	
Recent releases	794	
State, Department of		
Department to sponsor conference on U.S. foreign policy	789	
Designations of Dreier, Greenup, and Wheeler	790	
Information relating to the Iia	790	
Nomination of Michael J. McDermott	790	
Resignation (Linder)	790	
Taxation		
The costs of survival in a dangerous world (Morton)	769	
Technical Cooperation and Development		
The value of technical cooperation in Latin America (Cabot)	780	
Transportation		
Eighth Pan American Railway Congress	787	
Treaty Information		
German ratification of Epc treaty, contractual conventions	784	
Remedial works for Niagara Falls	783	
United Nations		
Current U.N. bibliography: selected documents	788	
Name Index		
Anderson, Frederick L.	792	
Cabot, John M.	780	
Conant, James B.	767	
Dreier, John C.	790	
Dulles, Secretary	779	
Eisenhower, President	778	
Faricy, William T.	787	
Greenup, Julian C.	790	
Johnson, Robert L.	790	
Knight, Ridgway B.	773	
Linder, Harold F.	790	
McDermott, Michael J.	790	
Morton, Thruston B.	769	
Oatis, William N.	785	
Smith, Walter Bedell	784	
Wheeler, Richard S.	790	
White, Lincoln	785	